

VERMILION ANTI-CORRUPTION, SANCTIONS, AND ANTI-MONEY LAUNDERING POLICY

Vermilion Energy Inc. and its subsidiaries ("Vermilion" or the "Corporation"), its Board of Directors and management are committed to conducting business in an honest and ethical manner that reflects Vermilion's core values, the highest standards of integrity and strict compliance with all applicable laws in the countries in which it operates.

This Policy is intended to ensure that Vermilion does not make or receive inappropriate offers or payments to receive improper advantages in its business dealings, that Vermilion and its officers, directors, employees and other persons acting on its behalf comply with all applicable anticorruption legislation, and that all payments and expenses are transparent, properly recorded in our financial books and records, and disclosed as required by applicable laws.

This Policy will provide you with a basic knowledge to avoid bribery, and will provide you with the tools to identify potential bribery issues and comply with sanctions and anti-money laundering legislation. When these issues arise or if you are unsure in any situation, you should immediately contact the Compliance Officer for further guidance. Concerns can also be reported under the Corporation's Reporting of Inappropriate Activity Policy. We have a strict antiretaliation policy when good faith reports are made.

Non-compliance with this Policy may result in severe criminal or civil penalties for the Corporation, the directors and/or the individual involved, which will vary according to the offence and the relevant jurisdiction and could include imprisonment. Anyone acting in contravention of this Policy may face immediate disciplinary action from the Corporation, up to and including termination.

DEFINITIONS

The following definitions apply in this Policy:

"**Agent**" means a person, a corporation or other entity retained by the Corporation to represent its business interests or act on its behalf.

"**Bribe**" means any payment, attempt to pay, promise to pay, or authorization of the promise or payment of any money, gift, reward, advantage or benefit of any kind, (including entertainment and travel expenses) that has been given or offered to a Public Official either directly or through a family member or an intermediary, in order to influence a decision or act by a Public Official. A "Bribe" may also include a kickback, that is, an offer or payment to someone who has facilitated a transaction or appointment. Bribes and kickbacks are prohibited by this Policy, and in many jurisdictions including in Canada.

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"**Compliance Officer**" means the individual responsible for this corporate compliance Policy as may be appointed by the Board of Directors pursuant to Section 2(a), which shall initially be the Chief Financial Officer of the Corporation.

"**Contractor**" means a person, a corporation or other entity retained to supply materials, labour or services to the Corporation in any jurisdiction.

"**Corporation**" means Vermilion Energy Inc. and its subsidiaries.

"**Economic Sanctions**" refer to laws and regulations which prohibit or restrict business activities with certain countries and their nationals, as well as business activities with specifically-designated entities and persons.

"**Employee**" means a permanent or temporary employee of the Corporation, or contract staff member.

"**Export Controls**" refer to laws and regulations that regulate and restrict the release of critical material and services to foreign nations and foreign companies for reasons of national security, foreign policy, anti-terrorism and non-proliferation.

"**Facilitating Payment**" means a low-value payment, promise to pay, or authorization of a lowvalue payment that is customary and legal under the laws of the local jurisdiction and is being made solely to expedite or secure the performance of routine government actions such as:

- a) obtaining licenses, permits and other official documents to qualify to do business in a foreign country;
- b) processing governmental papers, such as visas and work permits;
- c) providing or obtaining police protection, telephone service, utilities, and mail services;
- d) loading or unloading cargo, inspection of goods and protecting perishable goods from deteriorating; or
- e) actions of a similar nature.

Facilitating Payments are prohibited by this Policy, and in many jurisdictions including in Canada.

"**High Risk Jurisdiction**" means a country or jurisdiction that the Compliance Officer and President determine is at a high level of risk with regard to Improper Payments based on such criteria as the annual Transparency International Corruption Perception Index and such other criteria as management deems appropriate. The Board of Directors shall periodically review the list of High Risk Jurisdictions and criteria used by management to determine such list.

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"Improper Payment" means a Bribe, kickback, Facilitating Payment, or any other payment that has an improper or corrupt purpose.

"Items" can include anything from commodities (parts, equipment, material, etc.), professional services, software or technology, blueprints or designs to technical information.

"Policy" means this Anti-Corruption, Sanctions, and Anti-Money Laundering Policy.

"Prohibited Parties" are individuals, companies or other organizations who cannot participate in export activities as clients or otherwise because they have violated Export Controls or are subject to Economic Sanctions as determined by the relevant national and multinational authorities.

"Public Official" means:

- a) a person who holds a legislative, administrative or judicial position of a government or state;
- b) a person who is employed by or otherwise performs public duties or functions for a government or (including local governments), including a person employed by a bureau, department, agency, board, commission, corporation, council or other body or authority that is established to perform a duty or function on behalf of the government or, including government-owned or controlled entities such as national oil companies; or is performing such a duty or function;
- c) an official or agent of a public international organization;
- d) elected officials, candidates for public office, political parties, and officers, employees, representatives and agents of political parties.

It is important to understand that the term "Public Official" should be interpreted broadly to include all persons acting for and related to governments and international organizations, including low ranking employees of a government and government-controlled entities and consultants who hold government positions. Special caution should also be taken with respect to relatives of Public Officials such as spouses, parents, in-laws, grandparents, children, siblings and their spouses, cousins and other close relatives including those who may be financially dependent on a Public Official. These family relationships can sometimes be viewed as being an indirect means of access to a Public Official and could lead to allegations or charges of Improper Payments.

It is often difficult to determine whether a person (or entity) is a Public Official or associated with a Public Official and the Compliance Officer should be consulted if questions arise.

"Sanctioned Country" refers to a country that is subject to Economic Sanctions.

"Transactions" include sale of services, products, parts or equipment, shipment, transfer of information or transfer of funds.

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1. COMPLIANCE

- a) The Board of Directors of the Corporation is committed to this Policy and will provide the necessary leadership, resources and active support for management's implementation of this Policy.
- b) The Corporation's Board of Directors shall appoint a person to the position of Compliance Officer, which initially shall be the Chief Financial Officer of the Corporation.
- c) The Corporation's Board of Directors shall review this Policy and compliance with this Policy on an annual basis.
- d) The Compliance Officer shall oversee this Policy and shall report directly to the Corporation's Board of Directors.
- e) Employees, officers, directors, Agents and Contractors are expected, as part of their normal duties, to familiarize themselves with, and strictly comply with, this Policy.

2. RESPONSIBILITIES OF THE COMPLIANCE OFFICER

The Compliance Officer is responsible for:

- a) establishing and maintaining the practices, procedures and internal controls necessary to implement this Policy and prevent any violation of its provisions;
- b) disseminating this Policy to (i) all relevant Employees, directors, officers and Agents, and (ii) Contractors in High Risk Jurisdictions;
- c) implementing a training program on the substance of this Policy to be completed by all such Employees, directors, officers, Agents and Contractors as the Compliance Officer deems appropriate based on the proportionate degree of risk presented by the nature and sensitivity of the role to be performed by such person and the relevant location;
- d) procuring from such **Employees, directors, officers and Agents, and Contractors in High Risk Jurisdictions, as the Compliance Officer deems appropriate**, on an annual basis, a Certification of Compliance, substantially in the form of Exhibit A or Exhibit B to this Policy. Any significant variation proposed must be approved by the Compliance Officer. Any Certification of Compliance in which a violation of this Policy is identified shall be investigated by the Compliance Officer;

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e) establishing, maintaining and making accessible to all Employees a mechanism for the reporting, including anonymously if preferred, of violations of this Policy. Reports can be made via:

- Internet report.vermilionenergy.com

An anonymous e-mail will be sent from this web-site directly to the Corporate Secretary.

- Mail Norton Rose Fulbright Canada LLP
 400 3rd Avenue SW, Suite 3700
 Calgary, Alberta
 T2P 4H2 Canada
 Attention: Robert Engbloom, Q.C.
 Senior Partner, Norton Rose Fulbright Canada LLP
- Telephone +1-403-267-9405
- E-Mail robert.engbloom@nortonrosefulbright.com

3. IMPROPER PAYMENTS

a) General Prohibition; **Any form of Improper Payment is strictly prohibited.** The Corporation has a zero tolerance approach toward bribery and corruption, and its Employees, officers, directors, Agents and Contractors must comply with all relevant local anti-corruption laws and as well as all other applicable anti-corruption laws (including the U.S. and Canadian anti-corruption legislation). The Corporation requires that its Employees, officers, directors, Agents and Contractors must comply with the most stringent, applicable anti-corruption legislation.

The Corporation, its Employees, officers, directors, Agents and Contractors acting on the Corporation's behalf shall not, either directly or through an intermediary:

- (i) demand, solicit or accept an Improper Payment;
- (ii) pay, attempt to pay, promise to pay, or authorize to pay, either directly or indirectly through an intermediary, an Improper Payment.

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- b) Indirect Payments; Family Members and Intermediaries. Improper Payments made to close relatives of Public Officials may be treated as though they were payments made to the Public Official and are therefore prohibited. Likewise, Improper Payments include the situation where a payment of anything of value is made to a third party and the person making the payment knows, suspects, or has failed to gather information that would indicate that any part of such payment will be given or promised, directly or indirectly, to a Public Official, and includes the situation where a Public Official might not receive the benefit himself or herself, but instead directs that the benefit be given to a family member, to a political party association, or to any other person for the benefit of the official.

Any business dealings with close relatives or associates of Public Officials therefore require careful scrutiny and consultation with the Compliance Officer and appropriate advisors before entering into any transactions with such persons.

4. FACILITATING PAYMENTS/OTHER PAYMENTS

- a) Facilitating Payments are illegal and are Improper Payments. The Corporation, its Employees, officers, directors, Agents and Contractors acting on the Corporation's behalf shall not, either directly or indirectly, make Facilitating Payments.

Any questions regarding Facilitating Payments should be directed to the Compliance Officer.

- b) Payments to Protect Personal Health or Safety. When a person faces extortion demands that involve explicit or implicit threats to personal health or safety, such person may make payments which would otherwise be prohibited. In such circumstances, these payments must be recorded in the Corporation's books and records and be recorded accurately as extortion payments made to preserve personal health or safety and must be reported as quickly as possible to the Compliance Officer or President, who will consult with the directors and advisors, as deemed appropriate.

5. DUE DILIGENCE

- a) Agents/Contractors. Prior to the Corporation (a) engaging any Agent or (b) hiring a Contractor in a High Risk Jurisdiction, the Corporation shall ensure that proper due diligence, checks and research are carried out, either by the Corporation or by a reputable third party, and the reputation, background and past performance of the prospective Agent or Contractor, as appropriate, are clearly documented in the following areas: (i) Management Information; (ii) Ownership Information; (iii) Affiliations; (iv)

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Qualifications; (v) Financial Information; (vi) Reputation; (vii) References; (viii) Compliance with Local Law; (ix) Compensation; and (x) Payment History.

- b) Transactions. Standard business risk assessments will be conducted periodically to determine the level of controls and due diligence necessary for a particular aspect of the Corporation's operations, including in relation to procurement and tender processes in High Risk Jurisdictions, and for transactions that the Corporation is reviewing in High Risk Jurisdictions. Specific procedures, due diligence checklists and questionnaires will be implemented to proportionately address risks as they arise. In the early stages of any potential merger, acquisition, farm-in, joint venture or other transaction, an executive officer (in consultation with the Compliance Officer as necessary) will review and assess the appropriate level of due diligence requirements and questionnaires in order to ensure anti-corruption compliance is adequately considered and addressed in due diligence and related agreement provisions.
- c) Warning Signs/Red Flags. While the list is not exhaustive, and warning signs will vary by the nature of the transaction, government relationship, expense/payment request, geographical location and business, the following common warning signs should be considered as part of any due diligence process and risk assessment. If any warning signs or red flags are present, these must be alerted to the Compliance Officer's attention prior to engaging the counterparty. Examples of warning signs or red flags include, but are not limited to, the following examples:
- (i) a counterparty has current business, family or some other close personal relationship with a Public Official, has recently been a Public Official or is qualified only on the basis of his influence over a Public Official;
 - (ii) a Public Official recommends or insists on the use of a certain business partner, Agent or Contractor;
 - (iii) a counterparty refuses to agree to anti-corruption contractual terms, uses a shell company or other unorthodox corporate structure, insists on unusual or suspicious contracting procedures, refuses to divulge the identity of its owners, or requests that its agreement be backdated or altered in some way to falsify information;
 - (iv) the counterparty has a poor reputation or has faced allegations of bribes, kickbacks, fraud or other wrongdoing or has poor or non-existent third-party references;

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- (v) the counterparty does not have an office, staff or qualifications adequate to perform the required services, or has a bank account in a country outside of where the work is performed; or
 - (vi) an expense/payment request is unusual, is not supported by adequate documentation, is unusually large or disproportionate to products to be acquired, does not match the terms of a governing agreement, involves the use of cash or an off-the-books account, is in a jurisdiction outside the country in which services are provided or to be provided, or is in a form not in accordance with local laws.
- d) **Record-Keeping.** Complete and accurate records and documentation must be kept of the Corporation's risk assessment and due diligence process, including related checklists and questionnaires, as part of the system of internal controls and record keeping. Care must be taken to ensure that the Corporation's books and records, including invoices, contracts, purchase orders, change orders, etc., fairly and accurately reflect the transactions of the Corporation.
- e) As required by applicable laws, rules, or regulations, Vermilion will disclose payments made to governments, such as through the Extractive Sector Transparency Measures Act. The Corporation's books and records must fairly and accurately reflect the transactions of the Corporation. Payments will not be structured with the intention of avoiding the requirement to report those Payments.

6. AGENTS

- a) **Contracts with Agents.** Following the due diligence conducted under Section 5 above, the Corporation shall only retain an Agent using a written agreement that contains those contract provisions set out in Exhibit C (which are the minimum requirements) that are appropriate for the proportionate degree of risk presented by the nature and sensitivity of the role to be performed by the Agent and the location. Any such agreement must be approved by the Compliance Officer, in consultation with the Corporation's legal advisors, before the Corporation can execute the engagement.
- b) **Monitoring Agents.** The Corporation shall take measures reasonably within its power to ensure that:
- (i) any payment made to any Agent represents no more than the amount outlined in the written agreement with the Agent and is an appropriate remuneration for legitimate services rendered by such Agent;

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- (ii) the Agent maintains a record of the names and contract terms for all sub-agents and sub-contractors who are retained in connection with transactions with Public Officials in relation to the Corporation's business; and
- (iii) each invoice from the Agent includes a detailed description of the services performed, and every twelve (12) months from the date he/she was hired, the Agent will complete a Certification in the form of Exhibit B hereto. At any time upon request, the Agent will promptly complete and provide to the Corporation a report on the services performed for the relevant period and the responsible officer or manager shall forthwith forward the report with his written comments on the Agent's compliance with this Policy to the Compliance Officer for further review and subsequent reporting to the Board of Directors as required under this Policy.

7. CONTRACTORS IN HIGH RISK JURISDICTIONS

Following the due diligence conducted under Section 5 above, all Contractors retained by the Corporation in High Risk Jurisdictions shall sign an acknowledgement in a form approved by the Corporation or, alternatively, shall enter into an agreement with the Corporation, and either the acknowledgement or the agreement with the Contractor, as the case may be, shall include those contract provisions set out in Exhibit C (which are the minimum requirements) that are appropriate for the proportionate degree of risk presented by the nature and sensitivity of the role to be performed by the Contractor and the location.

8. FOREIGN JOINT VENTURES

Prior to entering into any joint venture, partnership, farm-in or similar arrangement with a joint venture partner in a foreign (non-Canadian) jurisdiction, the Corporation will conduct a due diligence review as discussed in Section 5 above in respect of each prospective partner proportionate to the degree of risk presented by the partner, the location and the nature and sensitivity of the joint venture.

Any joint venture agreement in a foreign jurisdiction must be approved by the Compliance Officer and shall include the following provisions (or substantially similar provisions) as deemed appropriate based on the proportionate degree of risk presented by the partner, the location and the nature and sensitivity of the joint venture:

- a) The JV Partner shall acknowledge that it understands the provisions of applicable local laws, Canadian and U.S. laws and any other laws applicable to the Corporation pertaining to anti-bribery and anti-corruption and that it will comply with such laws in carrying out

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obligations under the joint venture agreement. In addition, the JV Partner will commit to conduct the joint venture relationship in full compliance with such applicable laws and a failure by the JV Partner to comply may result in termination rights under the joint venture agreement.

- b) The JV Partner shall provide representations and warranties that, except as disclosed in writing to the Corporation, neither it, nor any of its owners, directors, officers, principals, key employees or family members of the foregoing, are Public Officials, that it has not violated anti-corruption laws with respect to the relevant asset or in the relevant jurisdiction, and that it will promptly inform the Corporation of any changes in that regard.
- c) The JV Partner shall specifically acknowledge that it will not authorize or give any payment, promise of payment, gift, reward, advantage or benefit of any kind to a Public Official either directly or through an intermediary, in order to influence the making or not making of a decision or act by a Public Official for the benefit of the joint venture. The JV Partner shall further specifically acknowledge that it will not make any Facilitating Payments or Improper Payments, including the improper utilization of subcontracts, purchase orders, consulting agreements or gifts to channel payments to a Public Official, employees or other representatives of a Public Official or to their relatives or business associates in relation to the operation of the joint venture.
- d) The Corporation has the right to audit the JV Partner's compliance with the joint agreement, including any expenses and invoices of the JV Partner associated therewith. The Corporation must also have the right to terminate the agreement should the JV Partner violate or reasonably be suspected of violating the anti-corruption representations and warranties contained within the joint venture agreement. The audit right will survive termination of such agreement.

9. GIFTS, ENTERTAINMENT & TRAVEL EXPENSES

- a) Gifts and Entertainment. Gifts, meals and entertainment provided to Public Officials are presumed to constitute Bribes, unless the contrary is proven. Such gifts or benefits will be considered to be Bribes where it appears the gift or benefit was intended to influence the recipient in order to obtain or retain an advantage in the course of business, including if the value of the gift or benefit is considered to be substantial in the local country. Therefore, gifts, meals, and entertainment must not be given to Public Officials as a reward or encouragement for preferential treatment or provided, directly or indirectly, with the intention or effect of improperly obtaining, retaining or directing business from or to any

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person or securing any improper advantage. If you have any questions, contact the Compliance Officer.

In certain limited circumstances, gifts and reasonable expenses for meals and entertainment may be provided to Public Officials. Any such gifts or benefits should be modest and reasonably related to promotion or demonstration of the Corporation's goods and services. Good judgment is required when making such gifts and paying such expenses, taking into account all relevant factors, including local custom and context and the appearance and character of the gift, meal or entertainment. You should avoid giving gifts, meals or entertainment to Public Officials unless it is (a) legal and customary in the relevant country and in compliance with the applicable government's policies and (b) such gift, meal or entertainment is reasonable and not excessive in amount or frequency. In no case may you provide gifts or benefits in money or cash equivalents.

If the value of the gift exceeds \$100 CDN, you must obtain prior approval from the Compliance Officer before giving such gift.

- b) **Travel Expenses.** Any travel or other similar expenses incurred for Public Officials must be made for legitimate business purposes that are directly related to the promotion or demonstration of the Corporation's goods and services, and/or the Corporation's performance of a contractual obligation, and not for purposes of improperly influencing a Public Official. Such expenses must be reasonable and appropriate under the circumstances, shall not be excessive and shall not include family members or unrelated side trips or excursions, and must comply with the laws applicable in Canada and the laws of the Public Official's jurisdiction. These expenditures must be handled transparently and should be paid directly to vendors where possible. All requests for travel-related expenses for Public Officials shall be referred to the Compliance Officer for review and prior approval and will be handled in accordance with best practices that are appropriate under the circumstances.
- c) **Record-Keeping.** Any gift, hospitality and/or reimbursement of travel or other expenses ultimately provided to a Public Official must be reported to the Compliance Officer so that they can be fully and accurately recorded in the Corporation's accounting records, and so the Compliance Officer can monitor the amount and frequency of such expenses to ensure they are appropriate and reasonable under the circumstances.

10. POLITICAL AND CHARITABLE CONTRIBUTIONS

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The Corporation does not participate in party politics and does not make contributions to political parties or politicians. Persons subject to this Policy may not, in any manner, participate in politics or make political payments on behalf of the Corporation. The Corporation does not restrict or prohibit you from participating in the political process as an individual citizen.

The Corporation's policy is not to make charitable donations or sponsorships that might be construed or characterized as a Bribe or other Improper Payment. Sponsorships must be transparent and documented in an agreement with the relevant organization and must be accurately recorded in the Corporation's books and records. There must be a legitimate and documented business purpose for providing the sponsorship or charitable donation.

11. EMPLOYMENT OF PUBLIC OFFICIALS

No Public Official shall be employed or retained as a consultant, agent or representative of the Corporation, unless:

- a) the Compliance Officer is satisfied that such employment or retainer is lawful;
- b) the Compliance Officer has determined that the services to be rendered to the Corporation do not conflict in any manner with the governmental duties of such person;
- c) where possible, an ethics opinion from the Public Official's government employer has been obtained; and
- d) the Corporation's President approves such hiring.

12. VIOLATIONS

- a) Any Employee who becomes aware of or suspects a violation of this Policy must promptly report the matter to the Compliance Officer. If there is a reluctance to report the matter to the Compliance Officer, the matter may be reported under the Reporting of Inappropriate Activity Policy (see Section 3. e) and, if concerns or complaints require confidentiality and anonymity, confidentiality will be protected subject to applicable law.
- b) Information communicated to any Employee in a supervisory or advisory position in the Corporation regarding a violation of this Policy must be immediately reported to the Compliance Officer or, if the Compliance Officer is accused of inappropriate behaviour, the Chair of the Audit Committee of the Board of Directors. The Compliance Officer or the Chair of the Audit Committee of the Board of Directors, shall take appropriate steps under the Corporation's investigation protocol.

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- c) A determination of whether a particular past or proposed payment or action is in violation of this Policy shall be made by the Compliance Officer in consultation with the Corporation's legal advisors and/or the President or Chair of the Board of Directors.
- d) Retaliation by anyone as a consequence of an Employee making a good faith report of a possible violation of the law or this Policy is strictly prohibited and will result in disciplinary action, including termination.
- e) Non-compliance with this Policy may result in severe criminal or civil penalties for the Corporation, directors and/or individuals involved which will vary according to the offence and relevant jurisdiction, and could include imprisonment. Anyone acting in contravention of this Policy may also face immediate disciplinary action from the Corporation, including termination for cause. In such case, the Corporation shall take appropriate corrective disciplinary action and immediately report same to the Compliance Officer and the Corporation's President and Board of Directors.

13. AUDIT

The Corporation's Finance Department shall work with the Compliance Officer to develop and maintain an appropriate audit protocol to prevent and detect payments and activities in violation of the law and/or this Policy.

The Corporation's Finance Department shall promptly inform the Compliance Officer and the President of every potential or suspected Improper Payment or violation of this Policy that comes to their attention and shall recommend procedures to attempt to prevent the recurrence of any potential or suspected violations, and the Compliance Officer or President shall report on same to the Board of Directors.

14. PRIVATE-TO-PRIVATE CORRUPTION

Although not covered under this Policy which deals with Public Officials, "Private-to-private corruption" or corruption as between individuals or corporations is strictly prohibited under the Corporation's Code of Conduct and Business Ethics. It is also illegal in many countries.

15. ECONOMIC SANCTIONS

Many countries in which the Corporation operates have implemented Economic Sanctions measures and Export Controls with respect to foreign countries, individuals and entities for a variety of foreign policy and national security reasons. Consequently, whenever proposals for

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Transactions are contemplated, it is essential that these potential risks be identified, reviewed and mitigated prior to submission of bid, signature of contract or any other form of commitment. The same process applies to the procurement of goods or services. We must apply the following procedures to ensure compliance with the requirements of Economic Sanctions. Note that there may be Export Controls on some goods.

Sanctioned Countries

Transactions in certain countries can be prohibited or severely restricted by law. Prior to undertaking any business activities, you must ensure that the country in which the work would take place is not sanctioned or embargoed.

All Transactions involving work in a High Risk Jurisdiction (regardless of the region) will require a review and endorsement by the Compliance Officer.

Prohibited Parties

Transactions with certain individuals or organizations can also be restricted or prohibited by law. Screening must be conducted for Prohibited Parties and High Risk Jurisdictions. A review may be required. Contact the Compliance Officer if you are considering a Transaction in a High Risk Jurisdiction.

16. ANTI-MONEY LAUNDERING COMPLIANCE

The Corporation, and its Employees, directors, officers and Agents will comply with all applicable and relevant anti-money laundering legislation.

Appropriate due diligence should be conducted to ensure that no transactions involve any illicit funds. This includes making reasonable efforts to verify the identity of parties to a transaction, such as obtaining identifying information (e.g., beneficial ownership information for legal entities) and official documentation to support such information; retaining records of this information; and checking the names of all transaction parties against the relevant government blacklists.

The Corporation, and its Employees, directors, officers and Agents should be attentive to any activities that raise red flags indicating potentially suspicious activity, e.g., large cash disbursements or other atypical transactions, refusal to provide identifying information, the use of third parties (“straw men”) to fulfill payment obligations, etc. If a satisfactory justification for such activities is not obtained, a more thorough investigation should be conducted.

17. REPORTING

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Any individual who suspects that a proposed commercial relationship or transaction may violate anti-corruption, sanctions, or anti-money laundering laws must follow the reporting mechanisms outlined in this Policy, **report this information immediately to the Compliance Officer**, and halt the proposed activity until and unless clearance is obtained. Any employee who believes that a past commercial relationship or transaction may have violated these laws must also report this information. The appropriate contact is as follows.

Compliance Officer

- Telephone 001-403-476-8445
- E-mail lglems@vermillionenergy.com
- Mail Vermilion Energy Inc.
 Suite 3500, 520 3rd Avenue SW
 Calgary, Alberta, Canada
 T2P 0R3
 Attention: Lars Glemser, Vice President & CFO

No adverse employment action will be taken against any employee for good faith reporting of a possible violation of this Policy.

18. CORRECTIVE ACTION

Upon discovering a violation of our Policy, the Corporation may impose such sanctions as it deems appropriate, including, among other things, suspension or termination of the employment of the violator. The Compliance Officer will direct the investigation of the suspected matter of noncompliance and, as appropriate, engage the Corporation's outside expert advisors, consultants, or attorneys to assist with the review of the findings; preparation of the appropriate filings as warranted; and implementation of corrective actions. If the Corporation's employees are asked to participate in an internal or external investigation, they shall be required to cooperate fully and answer all questions honestly.

Violations of the law may subject the Corporation, its directors and employees to serious civil and criminal penalties, including fines and even imprisonment, as well as administrative penalties. Furthermore, violations of these laws or failure to comply with this Policy may subject employees to disciplinary measures, including up to termination of employment.

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Exhibit A

Employee, Officer and Director Certification of Compliance

1. Have you read within the past twelve months, and do you understand, Vermilion's Anti-Corruption, Sanctions, and Anti-Money Laundering Policy? Yes ___ No ___
2. To the best of your knowledge have you at any time within the past twelve months been in violation of the Policy? Yes ___ No ___
3. To the best of your knowledge has any other Employee, officer, director, Agent or Contractor at any time within the past twelve months been in violation of the Policy, not previously reported to the Compliance Officer?

Yes ___ No ___

4. If your answer to question 2 or 3 above is "yes," please give full details.

Date

Signature

Print Name

Position

Country

Exhibit B

Certification of Compliance for (i) Agents and (ii) Contractors in High Risk Jurisdictions

Vermilion Energy Inc. ("Vermilion" or "the Corporation") conducts its business lawfully in every country where it does business. Specifically, Vermilion complies with anti-bribery legislation that prohibits the making, offering or receipt of Bribes (including kickbacks), Facilitating Payments, or anything of value. Vermilion employees, directors, officers, consultants, agents and contractors shall not, either directly or through an intermediary, pay or offer anything of value to a Public Official, in order to influence any act within the recipient's official capacity, or to induce the recipient to violate its, his or her lawful duty, or to induce the recipient to use its, his or her influence with any level of government to affect or influence any act or decision of such government for the purpose of obtaining, retaining or directing business, or any undue advantage.

1. Do you understand the laws pertaining to anti-bribery and anti-corruption in your jurisdiction?

Yes ___ No ___

2. Have you received, reviewed and understood Vermilion's Anti-Corruption, Sanctions, and Anti-Money Laundering Policy? Yes___ No ___

3. To the best of your knowledge, have you at any time been in violation of the Policy? Yes ___ No ___

4. To the best of your knowledge has any other Vermilion employee, officer, director, agent, consultant or contractor at any time been in violation of anti-corruption laws or Vermilion's Policy not previously reported to Vermilion's Compliance Officer?

Yes ___ No ___

If your answer to question 3 or 4 above is "yes", please give full details.

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I hereby certify by signing below that (a) none of the payments made to me or my company by the Corporation have been or will be used directly or indirectly to make any Improper Payment (as defined in Vermilion's Anti-Corruption, Sanctions, and Anti-Money Laundering Policy), and (b) I have complied and will comply with Vermilion's Anti-Corruption Policy, as well as all applicable anti-corruption laws.

Date

Signature

Print Name

(Company name, if relevant)

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Exhibit C

Minimum Required Terms for Contracts with Agents/Contractors in High Risk Jurisdictions

- a) A precise definition of the scope of the Agent's/Contractor's duties, the territory in which the services will be performed, and the compensation of the Agent/Contractor. The preapproval of the Compliance Officer is required if the contract with the Agent/Contractor contemplates compensation that includes a bonus or success fee (or similar) component.
- b) An acknowledgement by the Agent/Contractor that it, he or she understands the provisions of applicable local laws and the Corruption of Foreign Public Officials Act (Canada) and/or the Foreign Corrupt Practices Act (US) pertaining to anti-bribery and anti-corruption and that he or she will comply with such laws in carrying out obligations under the contract on behalf of the Corporation. If appropriate, provisions shall be added to ensure that the Agent/Contractor understands the Corporation's obligations under local laws and other applicable anti-corruption laws. In addition, the Agent/Contractor will commit to conduct its services on behalf of the Corporation in full compliance with local applicable anticorruption laws and any applicable Corporation policies.
- c) The Agent/Contractor shall specifically acknowledge that it will not make, authorize or give any payment, promise of payment, gift, reward, advantage or benefit of any kind to a Public Official either directly or through an intermediary, in order to influence the making or not making of a decision or act by a Public Official. The Agent/Contractor shall further specifically acknowledge that it will not make any Bribes or Improper Payments, including the improper utilization of Facilitating Payments, subcontracts, purchase orders, consulting agreements or gifts to channel payments to a Public Official, employees or other representatives of a Public Official or to their relatives or business associates.
- d) The Agent/Contractor shall provide representations and warranties that except as disclosed in writing to the Corporation neither it, nor any of its family members, owners, directors, officers, principals or key employees are Public Officials, and that it will promptly inform the Corporation of any changes in that regard.
- e) Assignment of the entire agreement or any rights, duties or obligations under the agreement by the Agent/Contractor is prohibited without the Corporation's prior written consent.
- f) Payment shall be by cheque made out in the Agent's/Contractor's name or by wire transfer to a bank account that is registered in the name of the Agent/Contractor, and located in the same country in which the Agent/Contractor performed the services unless there is an acceptable explanation for other arrangements. Unless otherwise agreed in writing, such

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payment shall be made in the local currency where the Agent/Contractor is performing the services.

- g) All requests by the Agent/Contractor for expense reimbursement must be supported by documentation acceptable to the Corporation. Detailed records for all approved expenses shall be kept for at least the minimum period required under the applicable laws.
- h) The agreement shall provide for termination rights, at the Corporation's sole discretion, in the event an Agent/Contractor has made, attempted to make, makes, attempts to make, or proposes to make, any violation of the anti-corruption representations and warranties.
- i) The Agent/Contractor shall make annual certifications, in the form of Exhibit B to this Policy, of its compliance with applicable local, Canadian and U.S. law and shall certify that none of the payments made to it, him or her by the Corporation or acquired from other sources have been used to make any Improper Payment. The certification should also include a statement to the effect that the agent has complied with this Policy as well as applicable anti-corruption laws.
- j) The Corporation has the right to audit the Agent's/Contractor's compliance with the agreement, including the expenses and invoices of the Agent/Contractor, and the interview of Agent/Contractor personnel in connection with the same. The audit right will survive termination of such agreement.