

BAYTEX ENERGY CORP.

HUMAN RESOURCES AND COMPENSATION COMMITTEE

MANDATE AND TERMS OF REFERENCE

Role and Objective

The Human Resources and Compensation Committee (the "Committee") is a committee of the board of directors (the "Board") of Baytex Energy Corp. (the "Corporation") to which the Board has delegated certain of its responsibilities. The primary responsibilities of the Committee are to establish and manage the overall compensation policies and practices of the Corporation and its subsidiaries and to oversee succession planning for senior management of the Corporation.

Membership of the Committee

1. The Committee shall be comprised of not less than three members all of whom are "independent" directors within the meaning of Section 1.4 of National Instrument 52-110 "Audit Committees" and the laws, rules and requirements of the U.S. Securities and Exchange Commission ("SEC") and the New York Stock Exchange ("NYSE"), as applicable, subject to any permitted phase-in periods that may apply. The members of the Committee shall be appointed by the Board from time to time.
2. The Board shall appoint a Chair of the Committee, who shall be an independent director.
3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Committee shall hold such office until the close of the next annual meeting of shareholders of the Corporation following appointment as a member of the Committee.

Mandate and Responsibilities of the Committee

The Committee shall review and, as appropriate, approve matters relating to the compensation of the directors, officers and employees of the Corporation and its subsidiaries (collectively, "Baytex"). Without limiting the generality of the foregoing, the Committee shall have the following duties:

Director Compensation

Review and recommend to the Board the retainers and fees to be paid to members of the Board and its committees.

Short-term Incentive Plan

1. Administer the short-term incentive plans of the Corporation, which may include:
 - a) review and approval of the annual scorecard results;
 - b) establishing the scorecard for the ensuing year; and
 - c) approving the bonus target levels for the Corporation's officers.

2. When establishing or affirming the design of the short-term incentive plan each year, including but not limited to the scorecard and bonus target levels for the Corporation's officers, the Committee shall recommend and obtain approval from the Board for such design decisions.

Long-term Incentive Plan

1. Administer the long-term incentive plans of the Corporation in accordance with their terms, which may include:
 - a) review and approving the scorecard results;
 - b) establishing the scorecard with performance measures for any performance awards for the ensuing year; and
 - c) approving the granting of awards under the plan(s).
2. When establishing or affirming the design of the long-term incentive plan each year, including but not limited to the performance measures for any performance awards and award grants, the Committee shall recommend and obtain approval from the Board for such design decisions.

CEO and Officer Compensation

1. Review and approve performance goals and objectives for the ensuing year relevant for the compensation of the President and Chief Executive Officer of the Corporation (the "CEO") and, if appropriate, for other officers.
2. Review and evaluate the performance of the CEO in light of those goals and objectives.
3. Based upon that evaluation, determine and approve, either directly or together with the other independent directors (as determined by the Board), the compensation level of the CEO. In determining the long-term incentive component of CEO compensation, the Committee should consider the Corporation's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Corporation's CEO in past years.
4. Review and determine, or make recommendations to the Board, with respect to non-CEO executive officer compensation, and incentive-compensation and equity-based plans that are subject to Board approval.

Officer Compensation

Review and recommend to the Board the compensation, benefits package and bonuses for each of the other officers of Baytex and, in connection therewith, receive and consider the CEO's appraisal of the performance of and recommendations for the other officers.

Non-Officer Compensation

Receive and consider the CEO's recommendation and recommend to the Board the compensation, benefits package and aggregate bonuses (with the allocation thereof to specific employees to be made by the CEO) for the non-officer employees of the Corporation.

Disclosure

Review and recommend to the Board any required disclosures of compensation practices to be included in the information circular – proxy statement of the Corporation, or such other document as may be required under applicable securities laws or otherwise.

Shareholder Say-on-Pay Vote

Review the results of any shareholder advisory vote on the Corporation's approach to executive compensation and consider whether any adjustments should be made to the compensation policies and practices as a result of such vote.

Management Succession Plan

Review the Corporation's management succession plan to ensure that qualified personnel will be available for succession to executive positions and report to the Board on the status of such plan.

Overall

1. Review on a periodic basis the compensation policies and practices and overall philosophy of Baytex and, where appropriate, make recommendations to the Board regarding substantive changes to such compensation policies and practices and overall philosophy.
2. Review industry, regulatory and compensation governance principles and their possible impacts on the Corporation's human resources policies and practices and make appropriate amendments.
3. Consider any other matters which would assist the directors to meet their responsibilities, including adherence to any appropriate executive compensation disclosure and other requirements established by the Canadian securities regulatory authorities or other regulatory bodies, and to this end, monitor, on a continuous basis, regulatory law and guidelines in respect of executive compensation matters.

Meetings and Administrative Matters

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall be not entitled to a second or casting vote.
2. The Chair shall preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee present shall designate from among the members present a Chair for purposes of the meeting.
3. A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee should be scheduled to take place at least three times per year and at such other times as the Chair may determine.
5. Agendas, approved by the Chair, shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
6. The Committee may invite those officers, directors and employees of the Corporation and its subsidiary entities as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee.
7. Minutes of the Committee's meetings will be recorded, maintained and made available to any director who is not a member of the Committee upon request.

8. The Committee shall conduct an annual evaluation of its performance in fulfilling its duties and responsibilities under this mandate, and shall assess the adequacy of the reporting and information provided by management to support the Committee's oversight responsibilities.
9. The Committee shall have sole authority to retain or obtain the advice of a compensation consultant, independent legal counsel and/or other advisor to assist in fulfilling its responsibilities. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other advisor retained by the Committee. Prior to selecting or receiving advice from such advisors, the Committee will analyze all factors relevant to the advisor's independence from management, including the specific factors identified by the SEC and NYSE. The Committee shall have appropriate funds, as determined by the Committee, for the payment of reasonable fees to any advisor retained by the Committee.
10. The Committee may form and delegate authority to subcommittees when appropriate.
11. Any issues arising from the Committee's meetings that bear on the relationship between the Board and management should be communicated to the Chair of the Board, the Executive Chairman or the Lead Independent Director, as applicable, by the Committee Chair.

Approved by the Board of Directors on February 13, 2023