

## **NORTHLAND POWER INC.**

### **COMPENSATION COMMITTEE CHARTER**

#### **Purpose of the Compensation Committee**

The Compensation Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Northland Power Inc. (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities relating to the compensation of the executive management of the Corporation and of the Board.

#### **Meetings and Procedures**

The Committee shall meet at such times as it deems necessary to fulfil its responsibilities.

Meetings of the Committee may be held at the call of the Chair of the Committee (the “**Chair**”) or upon request by two members on two days’ prior notice to all members or, by agreement of all members of the Committee, without notice and may be held at the offices of the Corporation or at such other location as the Chair may determine. Meetings may also be held by conference telephone call where all members of the Committee can hear each other. A quorum for all meetings of the Committee shall be a majority of members. The decision of a majority of those present at a meeting, at which a quorum is present, shall be the decision of the Committee. The Chair shall be responsible for agendas for the Committee and agendas and briefing materials shall be prepared and circulated in advance of the meeting. The Committee may also act by unanimous written resolution.

The Committee may determine its own procedures and shall keep minutes of its proceedings and report on its activities at least once annually to the Board or at such other times as the Committee, in its discretion, may determine.

#### **Responsibilities**

The responsibilities of the Committee include, but are not limited to, the following:

1. Reviewing from time to time and approving the Corporation’s compensation strategy to ensure that management is afforded the appropriate incentives and is rewarded appropriately for contributions to the Corporation’s growth and profitability and that the executive compensation strategy supports the Corporation’s objectives and shareholder interests.
2. Evaluating the activities of the Corporation’s Chief Executive Officer (“**CEO**”) in light of the Corporation’s performance, and determining (or making recommendations to the Board with respect to the CEO’s compensation based on the Committee’s evaluation.

3. Reviewing the CEO's recommendations and recommending to the Board with respect to the remuneration (including benefits, bonuses, perquisites and long-term incentives) of the Vice-Chair and Chief Operating Officer, ("COO"), the President ("President"), the Executive Vice-President, Development ("EVP") and the Chief Financial Officer ("CFO") and other officers of the Corporation who may be appointed by the Board (the CEO, COO, President, EVP, CFO and such other officers, collectively, "Officers").
4. Reviewing and recommending to the Board the compensation of the Chair of the Board. If the Chair of the Board is a member of the Committee he will absent himself from the deliberations and vote of the Committee on his compensation.
5. Overseeing the administration of the Corporation's Long-Term Incentive Plan (and any other securities compensation arrangement) including the approval of grants of awards based on the recommendation of the CEO.
6. Reviewing and approving employment agreements, if any, severance agreements, retirement arrangements, change in control agreements/provisions, and any special or supplemental benefits for the Corporation's Officers.
7. Reviewing and approving the executive compensation disclosure section of the Corporation's annual management information circular and other public filings before the Corporation publicly discloses such information.
8. Reviewing periodically the adequacy and form of compensation for directors to ensure that it realistically reflects the responsibilities and risks involved in being an effective director and recommending any changes to the Board.
9. Conducting an annual review this Charter and recommending any changes to the Board.
10. Performing such other compensation related duties as may be required by the Board from time to time.

### **Composition**

The Committee shall be comprised of not less than three members of the Board, a majority of whom shall be directors who are independent directors within the meaning of section 1.4 of National Instrument 52-110 - Audit Committees.

Members of the Committee shall be appointed by the Board at the meeting of the Board immediately following the annual meeting of the Corporation or at a subsequent meeting of the Board. Each member shall serve on the Committee until the next annual meeting of the Corporation or until his or her earlier resignation, and can be removed by resolution of the Board.

The Chair of the Committee shall be appointed by the Board.

### **Authority and Resources**

The Committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to engage, at the expense of the Corporation, outside auditors, legal counsel and other experts or consultants that the Committee determines to be necessary to permit it to carry out its duties.

Confirmed by the Board of Directors on November 6, 2018.