



Northland Power Inc.
NOTICE OF ANNUAL AND SPECIAL
MEETING AND MANAGEMENT
INFORMATION CIRCULAR

For the Annual and Special Meeting of
Shareholders to be held on Wednesday,
May 19, 2021

April 14, 2021

CHAIR'S LETTER TO SHAREHOLDERS

April 14, 2021,

On behalf of the Board of Directors, management and employees of Northland Power Inc. (“Northland” or the “Corporation”), I am pleased to invite you to this year’s Annual and Special Meeting (“Meeting”) of shareholders to be held on Wednesday, May 19, 2021, at 11:00 a.m. (Eastern Time). The Meeting this year will once again be a virtual-only format out of precaution due to the COVID-19 pandemic and will be conducted via a live webcast. Shareholders will have an equal opportunity to participate in the Meeting online, regardless of location and will have the opportunity to ask questions and vote on a number of important topics. Further details on how shareholders can participate in the Meeting are enclosed in the attached Management Information Circular.

The challenging COVID-19 environment in 2020 posed new challenges for how we conducted our business, but despite this, I am glad to say that we succeeded, delivering solid financial and operating results for the Corporation and our shareholders. We implemented measures to ensure a safe working environment at all of our facilities and moved to a work from home policy for our office staff. We grew our team and our business, – increasing our global footprint through additional development projects in Asia, Europe and the United States, and positioning the Corporation to embark on its next growth chapter. We also continued to create shareholder value, delivering strong returns for our shareholders, who enjoyed a total return (capital appreciation plus dividends) of 74% in 2020.

Our growth has established us as a pre-eminent global player in the renewable power sector, especially in the offshore wind segment where Northland is a top ten global owner and developer. We continue to leverage our expertise and early mover advantage to secure, develop and operate high-quality, sustainable projects supported by long-term revenue contracts that deliver predictable cash flows. This was evidenced, for example, by our announcement in late January 2021 that Northland would acquire a 49% interest in the Baltic Power offshore wind project located off the coast of Poland in the Baltic Sea. The project, which will have a productive capacity of up to 1,200 megawatts, will be developed with our partner PKN ORLEN, Poland’s largest company.

Importantly, we recognized that COVID-19 affected the most vulnerable members of our communities and we were fortunate to be in a position to give back. We donated more than \$750,000 to organizations around the globe that are providing on-the-ground service and health care in local communities wherever we have an office, facility or project. These funds went towards social service agencies, community food banks, and support for frontline health workers in the local community.

On January 31, 2021, Mr. James C. Temerty C.M. retired from the Board of Directors of Northland (the “Board”). Mr. Temerty, who co-founded Northland in 1987, was key in creating and shaping Northland’s foundations and direction, leading the Corporation to become a pre-eminent global player in the renewable power sector. Northland will be forever indebted to Mr. Temerty, and his wife Louise Temerty, for the vision they had for Northland and their leadership to get us there. We wish them well.

In addition, Mr. Barry Gilmour, a long-standing member of the Board advised the Board of his intention to retire at the Meeting. The Board would like to thank Mr. Gilmour for his significant contributions to the Corporation and wish him all the best.

In closing, I would like to thank the Board for their contributions and the Northland team for their continued efforts in support of the Corporation’s strategic vision, business and creation of value for our shareholders, local communities and other stakeholders. To our shareholders, we appreciate the confidence and continued support you provide and hope you will participate at our virtual Meeting on May 19, 2021. We encourage all shareholders to review the attached Management Information Circular and to provide your vote on the business items to be considered at the Meeting. Your vote and participation are very important.

Sincerely,



John W. Brace
Chair of the Board

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NORTHLAND POWER
NOTICE OF ANNUAL AND SPECIAL MEETING OF
SHAREHOLDERS TO BE HELD ON WEDNESDAY, MAY 19, 2021

NOTICE OF ANNUAL AND SPECIAL MEETING

To Our Shareholders:

NOTICE IS HEREBY GIVEN that the annual and special meeting (the “**Meeting**”) of shareholders of Northland Power Inc. (the “**Corporation**”) will be held in a **virtual-only meeting format**, on May 19, 2021 at 11:00 a.m. (Eastern Time), for the following purposes:

- (a) to receive the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2020, together with the report of the auditors thereon;
- (b) to re-appoint the auditors of the Corporation and authorize the directors to fix their remuneration;
- (c) to elect the directors of the Corporation (the “**Directors**”);
- (d) to consider an advisory resolution on the Corporation’s approach to executive compensation;
- (e) to approve the amendment of the Corporation’s articles to amend the permitted size of the Board and removal of Class A Shares and the Convertible Class B and Class C Shares from the authorized capital; and
- (f) to transact such other business as may properly come before the Meeting or any adjournment thereof.

Shareholders can attend, vote, and submit questions during the Meeting by visiting www.virtualshareholdermeeting.com/NPI2021. **Shareholders will need to have the 16-digit control number included on the form of proxy or voting instruction form (if a printed copy of the proxy materials was received) to join the Meeting.**

Prior to the Meeting, shareholders are entitled to vote by proxy by voting online at www.proxyvote.com or completing and signing the enclosed form of proxy or voting instruction form and returning it by mailing or delivering it to Broadridge Investor Communications Solutions, Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON, L3R 9Z9. **Proxies to be used at the Meeting must be received by Broadridge Investor Communications Solutions by no later than 11:00 a.m. ET on Wednesday, May 17, 2021.**

A copy of the Management Information Circular and a form of proxy or voting instruction form for use in connection with the Meeting accompany this notice.

DATED at Toronto, Ontario this 14th day of April 2021.

BY ORDER OF THE BOARD



Mike Crawley
President and Chief Executive Officer
Northland Power Inc.

MEETING SUMMARY

There are five matters of formal business anticipated to be put to Shareholders for voting at the Meeting.

1. RECEIVING AND CONSIDERING FINANCIAL STATEMENTS

Our consolidated financial statements for the year ended December 31, 2020 and the auditors' report will be tabled at the Meeting and are included in Northland's 2020 annual report. Copies are available on Northland's website at www.northlandpower.com or you can contact the Corporation to request a copy.

2. APPOINTMENT OF AUDITORS

We recommend that you appoint Ernst & Young LLP, Chartered Accountants, Licensed Public Accountants as the auditors of the Corporation. Ernst & Young LLP has acted as Northland's auditors since 1997.

Further information can be found under the heading "*Business of the Meeting – Matter #2 - Appointment of Auditors*" commencing on page 9 of this Management Information Circular ("**Circular**").

3. ELECTION OF DIRECTORS

We recommend that you elect the following nine nominees as directors of the Corporation (the "**Director Nominees**"). If all Director Nominees are elected, it is proposed that following the Meeting, the committees of the Board will be comprised as follows:

	Committees		
	Audit	Human Resources and Compensation	Governance and Nominating
Non- Independent			
John Brace (Chair of the Board)			
Independent			
Linda Bertoldi			
Marie Bountrogianni		√	Chair
Lisa Colnett		Chair	√
Russell Goodman (Lead Independent Director)	Chair	√	
Keith Halbert	√	√	
Ian Pearce	√		√
Kevin Glass	√	√	
Helen Mallovy Hicks	√		√

Further information can be found under the heading "*Business of the Meeting – Matter #3 - Election of Directors*" commencing on page 10 and "*Information Concerning the Board and Director Nominees*" commencing on page 13 of this Circular.

Mr. James C. Temerty C.M. retired from the Board effective January 31, 2021. Mr. Barry Gilmour advised the Board of his intention to retire from the Board at the Meeting.

4. ADVISORY VOTE ON EXECUTIVE COMPENSATION

We recommend that, on an advisory basis and not to diminish the role and responsibilities of the Board, you accept the Corporation's approach to executive compensation.

Further information can be found under the heading "*Business of the Meeting – Matter #4 - Advisory Vote on Executive Compensation*" commencing on page 11 of this Circular.

5. AMENDMENT TO THE ARTICLES OF THE CORPORATION

We recommend that you approve amendments to the Corporation's articles of amalgamation to: (i) increase the permitted size of the Board from the current range of three to nine directors to a range of three to twelve directors (the "**Board Size Amendment**"), and (i) permit the removal of all references to the Class A Shares and the Class B and Class C Convertible Shares (the "**Share Class Removal Amendment**"), and together with the Board Size Amendment, the "**Articles Amendments**").

Further information can be found under the heading "*Business of the Meeting – Matter #5 – Amendment to the Corporate Articles*" commencing on page 11 of this Circular.

MANAGEMENT INFORMATION CIRCULAR

GENERAL INFORMATION

This Management Information Circular (the "**Circular**") is provided to holders ("**Common Shareholders**") of common shares ("**Common Shares**") of Northland Power Inc. (the "**Corporation**" or "**Northland**") in connection with the solicitation of voting proxies by management of the Corporation for use at the annual and special meeting (the "**Meeting**") of Common Shareholders to be held at 11:00 a.m. (all times are Eastern Time) on Wednesday, May 19, 2021. Due to the continuing public health impacts of COVID-19 pandemic ("**COVID-19**"), including restrictions imposed by the Government of Ontario on public gatherings, the Meeting will be a virtual meeting only and will be conducted via a live webcast. You can attend the Meeting at www.virtualshareholdermeeting.com/NPI2021 by using the 16-digit control number which appears either on your proxy form or voting information form, as applicable. You will have the ability to submit questions either during the Meeting or in advance via the Meeting website. See "Instructions for the Virtual Meeting" below.

The solicitation of voting proxies by management of the Corporation will be made primarily by mail, supplemented possibly by telephone or other personal contact by regular employees of the Corporation or its subsidiaries. The cost of the solicitation will be borne by the Corporation.

The accompanying form of proxy is for use at the Meeting and for the purposes set forth in the accompanying Notice of Meeting.

All capitalized terms used in this Circular but not otherwise defined herein shall have the meanings set forth under the heading "**Glossary of Terms**" which follows at page 54.

DATE OF INFORMATION

Unless otherwise noted, information contained in this Circular is given as of April 14, 2021.

VOTING COMMON SHARES AND BENEFICIAL HOLDERS THEREOF

The Board of Directors (the "**Board**") fixed a record date of April 14, 2021 (the "**Record Date**") for the purpose of determining the Common Shareholders entitled to receive notice of the Meeting. Only persons registered as holders (including beneficial holders) of Common Shares on the books of the Corporation as of the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting. The failure of any Common Shareholder to receive notice of the Meeting does not deprive the Common Shareholder of the right to vote at the Meeting.

Except in limited circumstances prescribed in the Corporation's articles of amalgamation, the outstanding Series 1 Preferred Shares, Series 2 Preferred Shares and Series 3 Preferred Shares do not carry the right to vote at meetings of Common Shareholders, and consequently the holders thereof are not entitled to notice of the Meeting.

As of the close of business on the Record Date, the Corporation had outstanding 202,627,008 Common Shares, all of which are registered in the name of CDS & CO. ("**CDS**"). CDS holds such Common Shares on behalf of the beneficial holders of Common Shares ("**Beneficial Common Shareholders**").

To the knowledge of the directors and executive officers of the Corporation, as of the Record Date, no person or company beneficially owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

VOTING INFORMATION: QUESTIONS AND ANSWERS

Your vote is very important to us. This section of the Circular provides you with information on how to vote your Common Shares. If you encounter any technical difficulties with the Meeting platform on the day of the Meeting, please call for assistance:

Toll Free (Canada and U.S.): 1-844-986-0822

Outside North America: 1-303-562-9302

MEETING PROCEDURE

Am I entitled to vote?

You are entitled to vote if you held Common Shares at the close of business on the Record Date. Each Common Share is entitled to one vote at the Meeting or at any adjournment of the Meeting.

What are Common Shareholders voting on?

Common Shareholders are voting on the following business matters that will be presented at the Meeting:

- (a) to re-appoint the auditors of the Corporation and authorize the Directors to fix their remuneration;
- (b) to elect the Directors of the Corporation;
- (c) to consider an advisory resolution on the Corporation's approach to executive compensation;
- (d) to approve the amendment of the Corporation's articles to amend the permitted size of the Board and removal of Class A Shares and the Convertible Class B and Class C Shares from the authorized capital; and
- (e) to transact such other business as may properly come before the Meeting or any adjournment thereof.

Appointment, Time for Deposit and Revocability of Proxy

The persons named in the enclosed form of proxy are officers of the Corporation. A Common Shareholder who wishes to appoint another person (who need not be a Common Shareholder) to represent such Common Shareholder at the Meeting may do so by following the instructions on www.proxyvote.com or, by completing the instructions on the form of proxy, which must be delivered or mailed to Broadridge Investor Communications Solutions, Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON, L3R 9Z9 and received no later than 11:00 a.m. ET on Monday, May 17, 2021. A Common Shareholder who has given a proxy may revoke the proxy by an instrument in writing executed by the Common Shareholder or by his, her or its attorney authorized in writing or, if the Common Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited at such office of Broadridge, at any time up to 11:00 a.m. ET on Monday, May 17, 2021, or in any other manner permitted by law.

All Common Shares are held by Beneficial Common Shareholders under the book-based system. Accordingly, Beneficial Common Shareholders should refer to the directions for voting at "Voting of Common Shares – Advice to Beneficial Common Shareholders".

Exercise of Discretion by Holders of Proxies

The form of proxy provides the Common Shareholder with an opportunity to specify that the Common Shares registered in his, her or its name shall be voted for or withheld from voting in respect of the matters to be considered at the Meeting. On any ballot that may be called for, the Common Shares represented by proxies in favour of the Director Nominees will be voted for or withheld from voting, in accordance with the specifications made by Common Shareholders in the manner referred to above. In respect of proxies in which Common Shareholders have not specified the manner of voting, the Common Shares represented by proxies in favour of the persons named in the enclosed form of proxy will be voted in favour of the resolutions.

The form of proxy confers discretionary authority upon the proxy nominees with respect to amendments or variations of matters identified in the Notice of Meeting or other matters which may properly come before the Meeting. The Board knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters that are not now known to the Board should properly come before the Meeting, the Common Shares represented by proxies in favour of the Director Nominees will be voted on such matter in the discretion of the proxy nominees.

Voting of Common Shares – Advice to Beneficial Common Shareholders

The information set forth in this section is of significant importance to Beneficial Common Shareholders, as none of such persons hold Common Shares in their own name. Beneficial Common Shareholders should note that only proxies deposited by Common Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares as the close of business on the Record Date can be recognized and acted upon at the Meeting. All of the Common Shares are registered under the name of CDS & CO. (the registration name for CDS). CDS maintains books showing through which of its participants, such as investment dealers or brokers, the Common Shares are owned. Investment dealers and brokers maintain their own records showing the beneficial ownership of such Common Shares by the Beneficial Common Shareholders. Common Shares held by CDS can be voted only upon the instructions of the Beneficial Common Shareholders. Without specific instructions, CDS and its participants are prohibited from voting the Common Shares on behalf of the Beneficial Common Shareholders. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS are held. Therefore, Beneficial Common Shareholders cannot be recognized at the Meeting for purposes of voting their Common Shares unless they comply with the procedure described below.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Common Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Common Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically prepares the voting instruction form which it mails to the Beneficial Common Shareholders and asks Beneficial Common Shareholders to return the voting instruction form directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Common Shareholder receiving a voting instruction form cannot use that voting instruction form to vote their Common Shares directly at the Meeting; the voting instruction form must be returned to Broadridge well in advance of the Meeting in order for a Beneficial Common Shareholder to have its Common Shares voted.

If a Beneficial Common Shareholder wishes to vote at the Meeting or appoint another person who need not be a Common Shareholder, the Beneficial Common Shareholder must insert his, her or its own name or the appointee in the space provided for the appointment of a proxy holder on the voting instruction form provided to you. Then follow instructions provided on the enclosed voting instruction form to submit your instructions. The Beneficial Common Shareholder does not need to complete the remainder of the form of proxy or voting instruction form, as you will be voting at the Meeting. Common Shareholders log in to the virtual meeting using their 16-digit control number found on the voting instruction form.

Quorum for the Meeting

At the Meeting, a quorum shall consist of two or more individuals present personally or representing as proxies not less than 25% of the issued and outstanding Common Shares. In accordance with the by-laws of the Corporation, any shareholder who votes electronically at the Meeting or establishes a communications link to the Meeting is deemed to be present at the Meeting. If a quorum is not present at the Meeting within one half hour after the time fixed for the holding of the Meeting, it shall stand adjourned to such day being not less than fourteen (14) days later and to such place and time as may be appointed by the Chair of the Meeting. At such adjourned meeting, the Common Shareholders present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original Meeting in accordance with the accompanying Notice of Meeting.

INSTRUCTIONS FOR THE VIRTUAL MEETING

This year the Meeting will be a completely virtual Meeting conducted via a live webcast. There will be no physical Meeting location.

To participate in the Meeting, Common Shareholders will need to visit www.virtualshareholdermeeting.com/NPI2021 and log-in using the 16-digit control number included either on the proxy form or voting instruction form, as applicable. The Meeting platform is fully supported across browsers and devices running the most updated version of applicable software plug-ins. Common Shareholders should ensure they have a strong, preferably high-speed, internet connection wherever you intend to participate in the Meeting. The Meeting will begin promptly at 11:00 a.m. ET on Wednesday, May 19, 2021. Online check-in will begin starting 15 minutes prior, at 10:45 a.m. ET, and you should allow ample time for online check-in procedures. The webcast Meeting allows you to attend the Meeting live, submit questions and submit your vote while the Meeting is being held, if you have not done so in advance of the Meeting.

Participants who are not Common Shareholders or duly appointed proxyholders thereof will still be able to attend the Meeting through the live webcast only by joining the webcast as a guest www.virtualshareholdermeeting.com/NPI2021. Such participants will not be able to submit questions or vote.

If you choose to vote at the Meeting rather than through the below instructions, or should you desire to vote at the Meeting after completing and submitting a proxy, thereby overriding your selections contained therein, you are able to do so through the live webcast platform by selecting the "Vote Here" button on the right-hand side of the screen, which will become available to you when the voting portion of the Meeting opens. Your results will be tabulated and included in the final Scrutineer's Report, which becomes available to the Corporation once the Meeting has closed.

If you wish to submit a question, you may do so in two ways. If you want to ask a question before the Meeting, then you may log into www.proxyvote.com and enter your 16-digit control number. Once past the login screen, click on "Submit Questions," type in your question, and click "Submit." Alternatively, if you want to submit your question during the Meeting, log into the virtual Meeting platform at www.virtualshareholdermeeting.com/NPI2021, type your question into the "Ask a Question" field, and click "Submit."

Questions pertinent to the business of the Meeting will be answered during the Meeting, subject to time constraints. Questions regarding personal matters or questions that are not pertinent to the business of the Meeting will not be answered.

If you encounter any technical difficulties with the Meeting platform on the day of the Meeting, during the check-in process or during the Meeting, please call 1-844-986-0822 (Canada and U.S.) or 303-562-9302 (international) for assistance.

Voting Instructions

Shareholders are encouraged to vote in advance of the Meeting at www.proxyvote.com. Even if you currently plan to participate in the Meeting, you should consider voting your shares by submitting voting instructions or a proxy in advance so that your vote will be counted if you later decide not to attend the Meeting or in the event that you are unable to access the Meeting for any reason.

Vote Options

VOTE ONLINE: Visit www.proxyvote.com or scan the QR Code to access the website. You will need your 16-digit control number located on the form of proxy/voting instruction form. Vote cut-off is 11:00 a.m. ET Monday, May 17, 2021.

VOTE BY MAIL: Return the completed, signed and dated form of proxy/voting instruction form by mail in the business reply envelope to: Data Processing Centre, P.O. Box 3700 STN Industrial Park, Markham, ON L3R 9Z9.

VOTE BY TELEPHONE: You may enter your voting instructions by telephone at 1-800-474-7493 (English) or 1-800-474-7501 (French). You will need your 16-digit control number located on the form of proxy/voting instruction form.

Appointee Instructions

If you wish to appoint yourself or another person other than the named proxyholders, you are encouraged to do so online at www.proxyvote.com as this will reduce the risk of any mail disruptions in the current environment and will allow you to efficiently share the Appointee Information you have created with any other person you have appointed to represent you at the Meeting.

You **MUST** provide your Appointee the **EXACT NAME** and **EIGHT CHARACTER APPOINTEE IDENTIFICATION NUMBER** to access the Meeting. Appointees can only be validated at the Virtual Shareholder Meeting using the **EXACT NAME** and **EIGHT CHARACTER APPOINTEE IDENTIFICATION NUMBER** you enter.

IF YOU DO NOT CREATE AN EIGHT CHARACTER APPOINTEE IDENTIFICATION NUMBER, YOUR APPOINTEE WILL NOT BE ABLE TO ACCESS THE MEETING.

BUSINESS OF THE MEETING

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth elsewhere in this Circular, no: (i) person who has been a Director or executive officer of the Corporation at any time since January 1, 2020; (ii) proposed nominee for election as a Director; or (iii) associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any of the following matters to be acted upon at the Meeting.

MATTER #1 – RECEIVING AND CONSIDERING FINANCIAL STATEMENTS

Our Board will place before the Meeting the annual consolidated financial statements of the Corporation and the auditors' report thereon for the financial year ended December 31, 2020 (the "**Financial Statements**"). The Financial Statements, together with the accompanying Management Discussion & Analysis for the year ended December 31, 2020, provide financial information for the Corporation, and are available on the Corporation's website at www.northlandpower.com and on the System for Electronic Document Analysis and Retrieval website ("**SEDAR**") at www.sedar.com. Upon request, the Corporation will promptly provide a copy of the 2020 Annual Report free of charge to a Common Shareholder.

MATTER #2 – APPOINTMENT OF AUDITORS

Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants ("**EY**") have acted as the Corporation's auditors since 1997. Under the Canadian Securities Administrators' National Instrument 52-108 *Auditor Oversight*, EY is a participating audit firm with the Canadian Public Accountability Board. EY has also confirmed to the Board and the Audit Committee of the Board (the "**Audit Committee**") its status as independent within the meaning of applicable Canadian rules. The Audit Committee carried out a detailed evaluation of the quality of EY's work.

The evaluation, which has been discussed with EY, focused on;

- ✓ EY's understanding of Northland's enterprise risks and their relationship to audit risks;
- ✓ The quality of EY's annual audit plan and team to address the audit risks;
- ✓ The depth and breadth of relevant public company, industry and international experience of EY's engagement partners responsible for the audit in Canada and abroad, including the depth of experience and engagement of specialist partners for complex areas;
- ✓ The annual plan to bring new experienced professionals onto the Northland audit;
- ✓ The quality of EY's quarterly reviews, annual audit examination and evaluation of internal controls;
- ✓ The transparency, timeliness and quality of EY's communications to the audit committee and management;
- ✓ The continuous improvement of EY's audit technology to improve efficiency and reduce audit risk;
- ✓ EY's demonstration of professional skepticism, most particularly in its review of Northland's accounting estimates and areas involving significant auditor and management judgment;
- ✓ EY's professional reputation in Canada and internationally;
- ✓ EY's independence;
- ✓ EY's tenure as Northland's external auditor;
- ✓ EY's performance in reviews by the Canadian Public Accountability Board;
- ✓ Management feedback as to the timeliness and quality of EY's work; and
- ✓ The reasonableness of EY's audit and audit-related fees.

The Board, upon recommendation from the Audit Committee, recommends the re-appointment of EY as auditors. For details concerning fees paid to EY by the Corporation and for details concerning the Audit Committee, see page 38 of the AIF, which is available on SEDAR at www.sedar.com.

In the absence of contrary instructions, it is the intention of the persons designated in the enclosed instrument of proxy to vote the

Common Shares represented thereby FOR the ordinary resolution appointing EY as auditors of the Corporation to hold office until the close of the next annual meeting of Shareholders at a remuneration to be fixed by the Board.

MATTER #3 – ELECTION OF DIRECTORS

The Corporation's articles of amalgamation provide that the Corporation shall have between three and nine directors. The Common Shareholders have empowered the Board to determine the number of Directors (within the range of three and nine directors) by resolution of the Board.

On January 31, 2021, Mr. James C. Temerty C.M. retired from the Board. In addition, Mr. Barry Gilmour, advised the Board of his intention to retire at the Meeting. The Board would like to thank both Mr. Temerty and Mr. Gilmour for their significant contributions to the Corporation during their long-standing tenure on the Board.

When constituting the Board, consideration for the appropriate size, experience and skills needed to provide effective oversight and decision making and ensuring appropriate staffing of Board committees were factors in determining the number of directors to be elected. On this basis, the Board has determined that the number of Directors to be elected at the Meeting is nine and has therefore put forward two new highly qualified and independent nominees for election at the Meeting. Based on the recommendation of the Governance and Nominating Committee, the Board has nominated Mr. Kevin Glass and Ms. Helen Mallovy Hicks to be elected as new members of the Board.

The Director Nominees provide a healthy mix of deep knowledge of the Corporation and fresh perspectives, and also provide for a more independently constituted Board, with eight of nine members being independent as of the Meeting date. The breadth and depth of the expertise and experience of the Board members are important characteristics in overseeing the Corporation through the continued execution of its global growth strategy into new international markets and new fields of business.

The Director Nominees for election at the Meeting are:

- | | |
|--------------------------|--------------------------|
| (i) John W. Brace | (vi) Keith Halbert |
| (ii) Russell Goodman | (vii) Ian Pearce |
| (iii) Linda L. Bertoldi | (viii) Kevin Glass |
| (iv) Marie Bountrogianni | (ix) Helen Mallovy Hicks |
| (v) Lisa Colnett | |

Additional information in respect of each Director Nominee is included in the tables set out below and in the "Director Nominees" section of this Circular.

Collectively the nine nominees have 36 years of experience on Northland's Board and an average tenure of five years.

Following the successful election of the proposed slate of Directors:

- the Board will be 89% independent (8 of 9 Directors).
- no non-independent Director will sit on any key committees.
- 44% of the Board will be female (4 of 9 Directors), which exceeds the targets set out in the Board's Diversity Policy.

It is proposed that each Director Nominee will serve until the close of the next annual meeting of the Corporation or until his or her successor is elected or appointed. Common Shares represented by proxies in favour of the individuals named in the enclosed form of proxy will be voted in favour of the election of Director Nominees, unless a Common Shareholder has specified in his, her or its proxy that his, her or its Common Shares are to be withheld from voting in respect of any particular Director Nominee. The Corporation does not contemplate that any Director Nominee will be unable to serve if elected, but should that occur prior to the Meeting, the persons named in the enclosed form of proxy may, at their discretion, vote for another person nominated by the Directors at the Meeting.

Pursuant to the Corporation's Majority Voting Policy, as required by the TSX, if a Director Nominee has more votes withheld than are voted in favour of him or her, such Director Nominee must forthwith submit his or her resignation to the Board, effective upon acceptance by the Board. The Board will refer the resignation to the Governance and Nominating Committee for consideration. The Board will promptly accept the resignation unless the Governance and Nominating Committee determines that there are extraordinary circumstances relating to the composition of the Board or the voting results that should delay the acceptance of the resignation or justify rejecting it. In any event, the resignation will be accepted (or in rare cases rejected) within 90 days of the meeting. The Majority Voting Policy does not apply to an election that is contested.

In the absence of contrary instructions, it is the intention of the persons designated in the enclosed instrument of proxy to vote the Common Shares represented thereby FOR the resolution electing the Director Nominees.

Advance Notice By-Law

The Corporation adopted an Advance Notice By-Law which was ratified by Shareholders at the annual and special meeting of shareholders held in May 2020. The purpose of the Advance Notice By-Law is to provide Shareholders, Directors and management of the Corporation with a clear framework respecting the nomination of persons for election as Directors. Among other things, the Advance Notice By-Law provides

that a Shareholder seeking to nominate candidate(s) for election as Directors must give timely notice in writing to the Corporation's Corporate Secretary and to its General Counsel. In the case of annual meetings of shareholders, this means that the notice must be given not less than 30 days prior to the date of such meeting; provided, however, that in the event that the meeting is called for a date that is less than 50 days after the date on which the first public announcement of the date of meeting was made, notice may be made not later than the close of business on the tenth (10th) day following the date notice of the meeting is made. The Advance Notice By-Law prescribes the proper written form for a Shareholder's notice as well as additional requirements in connection with nominations. No person will be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of the Advance Notice By-Law. The Board may, in its sole discretion, waive any requirements of the Advance Notice By-Law. As of the date of this Circular, the Board has not received any Director nominations through the advance notice mechanism.

MATTER #4 – ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Corporation's approach to executive compensation is to "pay-for-performance". The purpose of this advisory vote is to allow Shareholders to give their opinion annually on the Corporation's objectives, principles, and approach to the compensation of its executive officers as disclosed in the section entitled "Compensation Discussion and Analysis" below. This Shareholder advisory vote forms an important part of the ongoing process of engagement between Shareholders and the Board on executive compensation. We presently intend to conduct such a vote at each annual meeting of Shareholders.

At the Meeting, Common Shareholders will be asked to vote in favour of or against, on an advisory basis, a non-binding resolution on the Corporation's approach to executive compensation as follows:

BE IT RESOLVED, on an advisory basis, and not to diminish the role and responsibilities of the Board of Directors, that the Shareholders accept the approach to executive compensation disclosed in Northland's Management Information Circular delivered in advance of the 2021 Annual and Special Meeting of Shareholders.

As this is an advisory vote, its results will not bind the Board. However, the Board, together with the Human Resources and Compensation Committee, will take the result of the vote into account when considering its review of executive compensation. For information on Northland's approach to executive compensation, see pages 34 to 53 of this Circular.

In the absence of contrary instructions, it is the intention of the persons designated in the enclosed instrument of proxy to vote the Common Shares represented thereby FOR the non-binding advisory resolution regarding the Corporation's approach to executive compensation.

MATTER #5 - AMENDMENT TO THE CORPORATE ARTICLES

At the Meeting, Shareholders will be asked to vote in respect of a resolution (the "**Articles Amendment Resolution**") approving amendments to the Corporation's articles of amalgamation ("**Articles**") to: (i) increase the permitted size of the Board from the current range of three to nine directors to a range of three to twelve directors (the "**Board Size Amendment**"), and (ii) permit the removal of all references to the Class A Shares and the Convertible Shares (as defined below) (the "**Share Class Removal Amendment**", and together with the Board Size Amendment, the "**Articles Amendments**"). Details of the Articles Amendments are described below.

Board Size Amendment

The Articles provide that the Corporation shall have between three and nine Directors. The Shareholders have empowered the Board to determine the number of Directors (within such range of three and nine) by resolution of the Board.

The purpose of the Board Size Amendment is to provide the Board with flexibility to add additional directors that it believes would add value to the current make-up of the Board, will also help to facilitate succession planning and orderly transitions among current and new Directors. The maximum of nine Directors as set out in the Articles was determined at a time when the Corporation had a significantly smaller market capitalization and a far less international footprint. As a result of the increase in the growth of the Corporation and its presence in multiple foreign jurisdictions, the Corporation and the Board believe that it may be appropriate at some time in the future to potentially fix the size of the Board beyond the current limit of nine Directors to an upper limit of twelve Directors. The Board Size Amendment is consistent with market practice for companies similar in size to the Corporation.

Share Class Removal Amendment

The Articles authorize the Corporation to issue Class A Shares, Class B Convertible Shares (the "**Class B Shares**") and Class C Convertible Shares (together with the Class B Shares, the "**Convertible Shares**"), the details of which are contained in the Articles. In 2011, as part of the conversion of Northland Income Power Fund (the "**Fund**") into the Corporation, Northland Power Holdings Inc. ("**NPHI**") was issued Class A Shares as well as Convertible Shares in exchange for units that it held in the Fund. Prior to December 31, 2013, all of the Convertible Shares held by NPHI had been converted into Class A Shares and no new Convertible Shares were issuable under the Articles. On September 24, 2020, NPHI converted its last remaining Class A Shares into Common Shares, following which, no Class A Shares were issuable under the Articles.

As there are no Class A Shares or Convertible Shares outstanding and the Corporation is not permitted to issue any further Class A Shares or Convertible Shares, the Corporation proposes to remove the references to Class Shares and Convertible Shares from the Articles as such provisions are no longer relevant.

The Share Class Removal Amendment, if approved, would permit the Corporation to simplify the provisions in the Articles that relate to the various share classes that are no longer issuable and therefore no longer relevant to the Corporation. The Class A Shares and the Convertible Shares will no longer be part of the authorized capital of the Corporation.

Resolution – Articles Amendments

In order for the Articles Amendments to be approved, the resolutions set out below must be approved by at least two-thirds of the votes cast by Shareholders, whether in person or by proxy, in respect of such resolution at the Meeting.

BE IT RESOLVED, as a special resolution of the Shareholders that:


1. the Articles of Amalgamation of the Corporation be amended to: (i) change the number of directors on the Board of Directors of the Corporation from a range of three to nine directors to a range of three to twelve, the number of Directors within such range to be determined from time to time by the Board of Directors, and (ii) remove all references in the Articles to the Class A Shares, Class B Convertibles Shares and Class C Convertible Shares and delete such shares from the authorized capital of the Corporation; and
2. any director or officer of the Corporation is hereby authorized and directed to execute and deliver all documents and to do all other things as in that person's opinion may be necessary or desirable for the purpose of giving effect to this resolution.

In the absence of contrary instructions, it is the intention of the persons designated in the enclosed instrument of proxy to vote the Common Shares represented thereby FOR the approval of the Articles Amendments.

INFORMATION CONCERNING THE BOARD AND DIRECTOR NOMINEES

DIRECTOR NOMINEES

The following information relating to the Director Nominees is based partly on Northland's records and partly on information received from each Director Nominee. All footnotes to each Director Nominee's biography in this section can be found commencing on page 21 of this Circular.

John W. Brace ICD.D		
	Age: 63 Toronto, Ontario Canada Director Since: 2018	John Brace was appointed Chair of Northland in December 2019. John served as Chief Executive Officer of Northland from 2003 until his retirement in 2018. He joined the company in 1988 and held various positions in risk management, development, construction, and operations before becoming Chief Executive Officer. Mr. Brace successfully led the Corporation through many of its key growth initiatives, from an Ontario-focused independent power producer to an international industry leader.
	Non-Independent Areas of Expertise: <ul style="list-style-type: none"> • Executive Experience • Strategic Planning & Execution • Power Sector Operations • Project Development • Construction Project Management • Enterprise Risk Management • Sustainability & ESG 	Mr. Brace is also a Director of Aecon Group Inc., a leading Canadian construction company where he is Chair of the Risk Committee and member of the Audit Committee. Mr. Brace received his Bachelor of Science degree in engineering physics from Queen's University and is a member of the Institute of Corporate Directors and a holder of the Institute of Corporate Directors' designation (ICD.D)

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Requirement as at April 14, 2021	Meets Guideline ¹
Board (Chair)	17 of 17	100%	\$250,000	\$750,000	Yes

Securities Held						
As of Record Date	Holdings ²			Market Value (\$) ³		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	226,026	-	226,026	10,514,119	-	\$10,514,119

Board Experience - Other Public Board Directorships	
Present Public Boards: <ul style="list-style-type: none"> • Aecon Group Inc (ARE: TSX) 	Past Public Boards: <ul style="list-style-type: none"> • N/A

Voting Results of 2020 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	118,793,436	2,958,505	121,751,941
Percentage of Votes	97.57%	2.43%	100%

Linda Bertoldi



Age: 69
Toronto, Ontario Canada
Director Since: 2011

Independent

Areas of Expertise:

- Strategic Planning & Execution
- Power Sector Operations
- Project Development
- Project Finance
- Government Affairs, Regulatory & Legal
- Governance & Diversity
- Sustainability & ESG

Linda Bertoldi was formerly a senior corporate partner at Borden Ladner Gervais LLP, a major Canadian law firm, and National Chair of the firm's Electricity Markets Group, with extensive experience in the power and utilities sector, including project development and operations, finance, project finance, government affairs, regulatory, governance, and mergers and acquisitions. Ms. Bertoldi is currently a director of the Women's College Hospital Foundation and a member of the Board of Governors of Humber College Institute of Technology and Advanced Learning. She was previously a Director and Board Chair of the Alzheimer Society of Toronto, and a Director of the Canadian District Energy Association and the Association of Power Producers of Ontario.

Ms. Bertoldi was recognized as one of Canada's Top 100 Most Powerful Women by the Women's Executive Network and is the recipient of the Lifetime Achievement Award from the Ontario Energy Association.

Ms. Bertoldi holds a Bachelor of Arts and a Bachelor of Law degree from the University of Toronto.

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Requirement as at April 14, 2021	Meets Guideline ¹
Board	17 of 17	100%	\$126,956	\$300,000	Yes

Securities Held

As of Record Date	Holdings ²			Market Value (\$) ³		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	13,000	-	13,000	604,725	-	\$604,725

Board Experience - Other Public Board Directorships

Present Public Boards:

- N/A

Past Public Boards:

- N/A

Voting Results of 2019 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	121,548,384	203,557	121,751,941
Percentage of Votes	99.83%	0.17%	100%

Dr. Marie Bountrogianni ICD.D



Age: 64
Toronto, Ontario Canada
Director Since: 2009

Independent

Areas of Expertise:

- Executive Experience
- Strategic Planning & Execution
- Governance & Diversity
- Sustainability & ESG
- Government Affairs, Regulatory & Legal
- Entrepreneurism
- Human Resources & Executive Compensation

Dr. Marie Bountrogianni was Dean of The G. Raymond Chang School of Continuing Education at Ryerson University until 2019, as well as former president and executive director of the Royal Ontario Museum Board of Governors. She was a member of the Ontario Legislature from 1999 through 2007, where she held a number of portfolios, including Minister of Intergovernmental Affairs. Prior to entering politics, Dr. Bountrogianni was the chief psychologist for the Hamilton-Wentworth District School Board and also taught at Ryerson University, Seneca College, McMaster University, and was an Assistant Professor at Wilfrid Laurier University.

Dr. Bountrogianni was also formerly a member on the board of the Canada California Business Council, Skills Connect Inc. and the Human Resources Policy Committee of the Canadian Chamber of Commerce. She is currently on the advisory board of Eurobank's incubator located in Athens, Greece.

Dr. Bountrogianni holds a doctorate in Applied Psychology from the University of Toronto as well as an honours undergraduate degree from the University of Waterloo. She is a member of the Institute of Corporate Directors and a holder of the Institute of Corporate Directors' designation (ICD.D).

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Requirement as at April 14, 2021	Meets Guideline ¹
Board	17 of 17	100%	\$161,004	\$300,000	Yes
Governance and Nominating (Chair)	7 of 7				
Compensation	6 of 6				

Securities Held

As of Record Date	Holdings ²			Market Value (\$) ³		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	3,794	4,409	8,203	176,487	205,095	\$381,581

Board Experience - Other Public Board Directorships

Present Public Boards:

- N/A

Past Public Boards:

- N/A

Voting Results of 2019 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	120,651,391	1,100,550	121,751,941
Percentage of Votes	99.10%	0.90%	100%

Lisa Colnett ICD.D


Age: 63
Toronto, Ontario Canada
Director Since: 2020

Independent

Areas of Expertise:

- Executive Experience
- International Experience
- Governance & Diversity
- Enterprise Risk Management
- Human Resources & Executive Compensation
- Sustainability & ESG
- Entrepreneurism

Lisa Colnett is a Corporate Director and has held a series of senior executive roles for companies with global operations, including as Senior Vice President, Human Resources and Corporate Services, for Kinross Gold Corporation from 2008 to 2013. From 1996 to 2008, Ms. Colnett was a founding executive of Celestica, one of the world's leading providers of electronics manufacturing services, serving as Senior Vice President, Human Resources, Senior Vice President and Chief Information Officer, and President of the Memory Division. Prior to that, was employed by IBM Canada from 1981 to 1996. Ms. Colnett is a Director of Parex Resources, where she is Chair of the Compensation and Human Resources committee, and a member of the HS&E and Reserves committee. She is also a Director of Parkland Fuels Corporation where she is Chair of the Human Resources and Governance committee, and a member of the Environmental, Sustainability and Governance committee.

Ms. Colnett holds a Bachelor of Business Administration from Ivey Business School at the University of Western Ontario and is a member of the Institute of Corporate Directors and a holder of the Institute of Corporate Directors' designation (ICD.D).

Board/Committee Membership for 2020	2020 Attendance (#) ⁴	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Requirement as at April 14, 2021	Meets Guideline ¹
Board	8 of 8	100%	\$81,417	\$300,000	On Track
Audit	2 of 2				
Compensation (Chair) ⁵	2 of 2				

Securities Held

As of Record Date	Holdings ²			Market Value (\$) ³		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	1,541	1,580	3,121	71,683	73,497	\$145,181

Board Experience - Other Public Board Directorships

Present Public Boards:

- Parex Resources Inc. (PXT: TSX)
- Parkland Fuels Corporation (PKI: TSX)

Past Public Boards:

- Detour Gold Corp (DGC: TSX)

Voting Results of 2020 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	121,570,054	181,887	121,751,941
Percentage of Votes	99.85%	0.15%	100%

Keith Halbert ICD.D



Age: 66
Toronto, Ontario Canada
Director Since: 2019

Independent

Areas of Expertise:

- Executive Experience
- Corporate Finance, Mergers & Acquisitions and Financial Reporting
- Enterprise Risk Management
- Strategic Planning & Execution
- Sustainability & ESG
- Governance & Diversity
- Entrepreneurism

Keith Halbert is a former Chief Financial Officer of ClearStream Energy Services Inc. and has an extensive background in the environmental, oil and gas, technology, and financial services sectors. In addition to his considerable financial and operations experience in fast-paced, growth-oriented ventures, Mr. Halbert is experienced in mergers and acquisitions, financial due diligence, and business transition planning.

Mr. Halbert is also a graduate advisor to companies at Waterloo-based Accelerator Centre, a leading Canadian start-up accelerator.

Mr. Halbert is a Chartered Professional Accountant and holds a Bachelor of Arts degree in Business Studies from Northumbria University, England. He is a member of the Institute of Corporate Directors and a holder of the Institute of Corporate Directors' designation (ICD.D).

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Requirement as at April 14, 2021	Meets Guideline ¹
Board	17 of 17	100%	\$146,250	\$300,000	On Track
Audit	4 of 4				
Governance and Nominating	7 of 7				

Securities Held

As of Record Date	Holdings ²			Market Value (\$) ³		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	5,500	502	6,002	255,845	23,352	\$279,197

Board Experience - Other Public Board Directorships

Present Public Boards:

- N/A

Past Public Boards:

- N/A

Voting Results of 2020 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	120,912,264	839,677	121,751,941
Percentage of Votes	99.31%	0.69%	100%

Ian Pearce



Age: 64
Toronto, Ontario Canada
Director Since: 2020

Independent

Areas of Expertise:

- Project Development
- Construction Project Management
- International Experience
- Sustainability & ESG
- Strategic Planning & Execution
- Executive Experience
- Enterprise Risk Management

Ian Pearce is a Corporate Director with over 35 years of professional experience in the global metallurgy and mining related industries. Mr. Pearce held progressively senior engineering and project management roles with Fluor Inc., including managing numerous significant development projects in the extractive sector. He also held executive roles at Falconbridge Limited, including Chief Operating Officer and subsequently served as Chief Executive Officer of Xstrata Nickel, a subsidiary of Xstrata plc. Mr. Pearce currently is a Director of New Gold Inc, where he is Chair of the Board, Director of Metso Outotec Corporation and is also a Director of Nexa Resources SA.

Mr. Pearce holds a Higher National Diploma in Engineering (Mineral Processing) from the University of Johannesburg and a Bachelor of Science degree from the University of the Witwatersrand in South Africa.

Board/Committee Membership for 2020	2020 Attendance (#) ⁶	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Requirement as at April 14, 2021	Meets Guideline ¹
Board	8 of 8	100%	\$82,917	\$300,000	On Track
Audit	2 of 2				
Governance and Nominating	5 of 5				

Securities Held

As of Record Date	Holdings ²			Market Value (\$) ³		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	-	1,872	1,872	-	87,080	\$87,080

Board Experience - Other Public Board Directorships

Present Public Boards:

- New Gold Inc (NGD: TSX)
- Nexa Resources SA (NEXA: TSX)
- Metso Outotec Corporation (MOCORP: HEL)⁷

Past Public Boards:

- Nevsun Resources Ltd. (NSU: TSX)

Voting Results of 2020 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	117,514,126	4,237,815	121,751,941
Percentage of Votes	96.52%	3.48%	100%

Russell Goodman ICD.D



Age: 67
Montreal, Quebec Canada
Director Since: 2014

Independent

Areas of Expertise:

- Executive Experience
- Strategic Planning & Execution
- Corporate Finance, Mergers & Acquisitions and Financial Reporting
- Enterprise Risk Management
- Project Finance
- Human Resources & Executive Compensation
- Governance & Diversity

Russell Goodman is a director of public, private and not-for-profit companies. He currently is a member of the board of directors of Metro Inc., a leading Canadian grocery and pharmacy company, and Gildan Activewear Inc., a leading vertically integrated manufacturer and distributor of basic apparel. Mr. Goodman chairs the audit committee for Metro and is the former chair of the audit and finance committee for Gildan. He is also Chairman of the Independent Review Committee of IG Wealth Management Funds, a Canadian leader in wealth management. Mr. Goodman was a partner at PricewaterhouseCoopers LLP (PWC) until his retirement in 2011, where he held senior management and leading client responsibilities at Canadian, North American and Global levels.

Mr. Goodman is a recipient of the Governor General of Canada's Sovereign's Medal for Volunteers and was previously Vice-Chair of Centraide (United Way) of Greater Montreal and President of the Canadian Club of Montreal.

Mr. Goodman is Chartered Professional Accountant and holds a Bachelor of Commerce degree from McGill University. He is a member of the Institute of Corporate Directors and a holder of the Institute of Corporate Directors' designation (ICD.D).

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Guideline as at April 14, 2021	Meets Guideline
Board	17 of 17	100%	\$223,405	\$300,000	Yes
Audit (Chair)	4 of 4				
Compensation	6 of 6				

Securities Held

As of Record Date	Holdings ¹			Market Value (\$) ²		
	Common Shares	Deferred Share Units	Total	Common Shares	Deferred Share Units	Total
April 14, 2021	5,600	22,523	28,123	260,497	1,047,709	\$1,308,206

Board Experience - Other Public Board Directorships

Present Public Boards:

- Gildan Activewear Inc. (GIL: TSX, NYSE)
- Metro Inc. (MRU: TSX)

Past Public Boards:

- Whistler Blackcomb Holdings Inc. (WB: TSX)

Voting Results of 2020 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	118,798,783	2,953,158	121,751,941
Percentage of Votes	97.57%	2.43%	100.00%

Kevin Glass



Age: 63
Toronto, Ontario Canada
Director Since: 2021

Independent

Areas of Expertise:

- Executive Experience
- Strategic Planning & Execution
- Corporate Finance, Mergers & Acquisitions and Financial Reporting
- Project Finance
- International Experience
- Governance & Diversity
- Government Affairs, Regulatory and Legal

Mr. Glass is an international and versatile senior executive combining an extensive financial management background with operational and information technology management experience across Canada, the United States, South Africa, the United Kingdom and the Caribbean. Mr. Glass was most recently Senior Executive Vice President and Chief Financial Officer at CIBC from 2011 to 2019 where he was responsible for financial strategy, oversight, reporting and planning, as well as use and composition of CIBC's balance sheet resources. Prior to CIBC, Mr. Glass was Chief Financial Officer for a number of companies that included Revera Inc., Atlas Cold Storage Income Trust, and Vitran Corporation Inc. Currently, Mr. Glass is a Director of Spin Master Corp. (TSX: TOY). Mr. Glass is currently on the Advisory Board of the Rotman Global Advancement Board.

Mr. Glass is a Chartered Professional Accountant (FCPA, CPA, CA), holds an MBA from the University of Toronto and a Bachelor of Commerce and Bachelor of Accountancy from the University of the Witwatersrand in South Africa.

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Guideline as at April 14, 2021	Meets Guideline
Board	N/A	N/A	N/A	N/A	N/A
Audit	N/A				
Compensation	N/A				

Securities Held

As of Record Date	Holdings ¹				Market Value (\$) ²			
	Common Shares	Deferred Share Units	Restricted Share Units	Total	Common Shares	Deferred Share Units	Restricted Share Units	Total
April 14, 2021	-	-	-	-	-	-	-	-

Board Experience – Other Public Board Directorships

Present Public Boards:

- Spin Master Corp. (TSX: TOY)

Past Public Boards:

- N/A

Voting Results of 2020 Annual Meeting	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	N/A	N/A	N/A
Percentage of Votes	N/A	N/A	N/A

Helen Mallovy Hicks



Age: 60
Toronto, Ontario Canada
Director Since: 2021

Independent

Areas of Expertise:

- Executive Experience
- Corporate Finance, Mergers & Acquisitions and Financial Reporting
- International Experience
- Strategic Planning & Execution
- Sustainability & ESG
- Governance & Diversity
- Entrepreneurism

Helen Mallovy Hicks is a well-versed business executive with global perspective and business management expertise. As a partner with PwC she had successive leadership roles up to Global Valuation leader. She has a deep understanding of what drives long term shareholder value gained from over 30 years advising directors and executives on value creation, capital allocation, complex transactions, transformation and restructuring matters.

Ms. Mallovy Hicks is a proficient board member with audit and risk, human resources, and executive compensation experience. Currently Ms. Mallovy Hicks is a Director and Audit & Risk Committee member of the Princess Margaret Cancer Foundation, a Director and Vice-Chair and Chair of the Finance Audit & Risk Committee at the Canadian Partnership Against Cancer, and Director on the Board of the Toronto Symphony Foundation.

Ms. Mallovy Hicks has distinguished recognition in her professions as a Fellow of the Canadian Institute of Chartered Business Valuator (FCBV) and also as a Fellow of the Institute of Chartered Accountants of Ontario (FCA/FCPA). Ms. Mallovy Hicks holds a Bachelor of Commerce from the University of Toronto.

Board/Committee Membership for 2020	2020 Attendance (#)	2020 Attendance (Total)	Value of Total Compensation Reported in 2020	Min. Share Ownership Guideline as at April 14, 2021	Meets Guideline
Board	N/A	N/A	N/A	N/A	N/A
Audit	N/A				
Compensation	N/A				

Securities Held

As of Record Date	Holdings ¹				Market Value (\$)²			
	Common Shares	Deferred Share Units	Restricted Share Units	Total	Common Shares	Deferred Share Units	Restricted Share Units	Total
April 14, 2021	-	-	-	-	-	-	-	-

Board Experience – Other Public Board Directorships

Present Public Boards:

- N/A

Past Public Boards:

- N/A

Voting Results of 2020 Annual Meeting

	Votes For	Votes Withheld	Total Votes Cast
Number of Votes	N/A	N/A	N/A
Percentage of Votes	N/A	N/A	N/A

Notes:

1. Pursuant to the Share Ownership Guidelines adopted by the Board, Directors were required to acquire, over time, a number of Common Shares or DSUs equivalent in value to their annual retainer. In November 2018, this guideline was amended to provide that Directors must acquire, within the later of five years of the amendment or their appointment, Common Shares or DSUs equivalent in value to three times their annual retainer. As the Record Date, each Director was in compliance with, or is on track to be in compliance with, the minimum share ownership requirement.
2. This information, not being within the knowledge of the Corporation, has been provided by the respective Director Nominee individually, as of the Record Date.
3. Market values are as at the Record Date and based on a Northland 5-day volume weighted average share price of \$46.52 on the TSX.
4. Ms. Colnett was appointed to the Board on May 22, 2020, and as such her meeting attendance reflects those meetings following her appointment.
5. Ms. Colnett was appointed as Chair of the Compensation Committee effective January 1, 2021 replacing Mr. Gilmour.
6. Mr. Pearce was appointed to the Board on May 22, 2020, and as such his meeting attendance reflects those meetings following his appointment.
7. Metso Outotec Corporation is a Finnish listed technology company on the Helsinki Exchange (HEL).

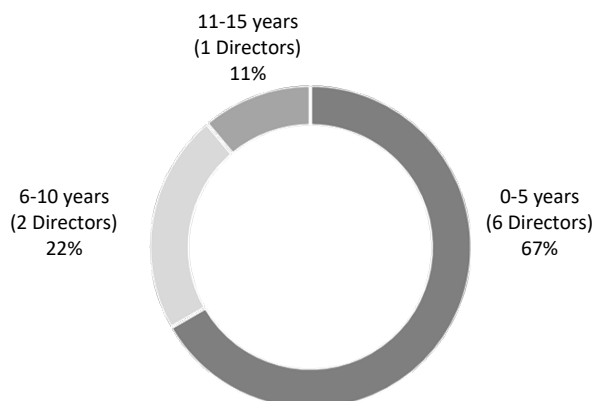
All of Northland’s Director Nominees, with the exception of Mr. John Brace, are currently independent. Under Ontario securities laws, Mr. Brace will be considered independent in August 2021. Mr. Brace does not currently sit on any of the Corporation’s Board committees but attends certain committee meetings by invitation. Meetings of independent Directors are held on a quarterly basis. The following table summarizes the current committee make-up of the Board:

Current Committees							
	Year First Appointed	Years of Service	Audit	Human Resources and Compensation	Governance and Nominating	Overall 2020 Attendance	Other Current Public Company Directorships
Independent							
Linda Bertoldi	2011	10				100%	
Marie Bountrogianni	2009	12		√	Chair	100%	
Lisa Colnett	2020	1	√	Chair ¹		100%	<ul style="list-style-type: none"> • Parex Resources Inc. • Parkland Fuels Ltd.
Keith Halbert	2019	2	√		√	100%	
Russell Goodman	2014	7	Chair	√		100%	<ul style="list-style-type: none"> • Metro Inc. • Gildan Activewear Inc.
Ian Pearce	2020	1	√		√	100%	<ul style="list-style-type: none"> • New Gold Inc. • Metso Outotec Corporation • Nexa Resources SA.
Kevin Glass ³	2021	N/A				N/A	<ul style="list-style-type: none"> • Spin Master Corp.
Helen Mallovy Hicks ³	2021	N/A				N/A	
Non-Independent							
John Brace	2018	3				100%	<ul style="list-style-type: none"> • Aecon Group Inc.

- Ms. Colnett was appointed as Chair of Human Resources and Compensation Committee succeeding Mr. Gilmour, effective January 1, 2021.
- Messrs. Temerty and Gilmour, who served as Directors in 2020 are not standing for re-election in 2021.
- Expected to be appointed to the Board effective May 19, 2021.

Length of Tenure of Directors Nominees

Collectively, the proposed Director Nominees have 36 years of experience on Northland’s Board and an average tenure of 5 years.



We believe that the Director Nominees bring a healthy mix of deep knowledge of the Corporation and fresh perspectives.

Director Skills Matrix

The Governance and Nominating Committee developed a skills matrix to identify the key skills and areas of strength which it believes are important to oversee the business and the growth of the Corporation, guide management and properly manage the Corporation's risks.

The skills matrix is used by the Board as an additional tool to review the appropriateness of the composition of the Board and to identify potential new director candidates who could add complementary skills and experience to the Board. In addition, Board members are selected based on their good business judgement, high level of integrity, honesty, firm commitment to the interests of all shareholders and availability to devote sufficient time to their duties as a Board member. The use of the skills matrix may also serve as a guide for the Governance and Nominating Committee to identify specific development needs of each Board member and of the Board as a whole.

Each skill in the matrix is defined below. This list and the definitions thereof may change over time as the Corporation's business and strategy continues to evolve.

- *Executive Experience*: Experience as a CEO, CFO, COO or EVP of a publicly listed company or major organization.
- *Strategic Planning & Execution*: Experience in developing and implementing long term business strategies for a public company or major organization.
- *Power Sector Operations*: Experience as an officer of a publicly listed company or major organization in the power sector, or senior executive specializing in providing advice to the power sector.
- *Project Development*: Experience as an officer of a publicly listed company or major organization in the power, natural resources or infrastructure sectors with responsibility for large-scale, long-term project development.
- *Entrepreneurism*: Experience as a founder, owner or executive leader of a successful high growth publicly listed company or major organization, including experience as an executive with direct responsibility for driving innovation and technology in a large complex organization
- *Corporate Finance, Mergers & Acquisitions, and Financial Reporting*: CFO of a publicly listed company, or equivalent direct experience as a senior finance executive of a major organization, senior executive of a major accounting firm or senior executive of a major financial advisory organization.
- *Project Finance*: Senior executive of a publicly listed company or major organization with significant direct experience structuring and executing large non-recourse and project financings.
- *Enterprise Risk Management*: Senior executive with demonstrated success and direct accountability over enterprise risk identification, management and mitigation, including in the areas of cybersecurity and privacy.
- *International Experience*: Direct experience and P&L responsibility for international operations in Europe, USA, Latin America and/or Asia.
- *Construction Project Management*: Direct experience in developing and executing large construction projects as a project manager or as a senior executive for construction through to operations. Demonstrating a deep understanding of construction and construction-related risk and contingency definition, identification, budgeting, mitigation and overall management.
- *Human Resources & Executive Compensation*: Experience as a senior executive in the human resources area or a senior executive of a major organization with ultimate responsibility for executive compensation, leadership development and succession planning.
- *Government Affairs, Regulatory & Legal*: Senior executive or equivalent with direct experience in the workings of government and public policy, both locally and internationally, including having a deep understanding of legal, regulatory, reputational and compliance requirements.
- *Sustainability & ESG*: Senior executive or equivalent with accountability for and experience with strategy, execution and compliance in the areas of health and safety, environmental practices and business sustainability, including climate change, community relations and ESG reporting.
- *Governance & Diversity*: Significant direct board-level experience in following the principles of good governance.

The table below illustrates the current skills and experience mix of the Director Nominees.

	Brace	Goodman	Pearce	Colnett	Bertoldi	Bountrogianni	Halbert	Glass	Malloy Hicks
Executive Experience	X	X	X	X	X	X	X	X	X
Strategic Planning & Execution	X	X	X	X	X	X	X	X	X
Power Sector Operations	X		X		X		X		
Project Development	X		X		X				
Entrepreneurism	X		X	X		X	X		X
Corporate Finance, Mergers & Acquisition and Financial Reporting		X					X	X	X
Project Finance	X	X	X		X			X	
Enterprise Risk Management	X	X	X	X			X	X	X
International Experience	X	X	X	X				X	X
Construction Project Management	X		X				X		
Human Resources & Executive Compensation	X	X	X	X		X	X		X
Government Affairs, Regulatory & Legal	X		X		X	X	X	X	
Sustainability & ESG	X		X	X	X	X	X		X
Governance & Diversity		X	X	X	X	X	X	X	X

Directors Serving Together

None of the Director Nominees have served together as directors on any outside boards during the Corporation's most recent fiscal year.

Cease Trade Orders, Bankruptcies, Etc.

To the knowledge of the Corporation, none of the persons nominated for election as Directors at the Meeting: (a) is, as at the date of this Circular, or has been, within the ten years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that: (i) was subject to an Order that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; (b) is, as at the date of this Circular, or has been within ten years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) has, within the ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

To the knowledge of the Corporation, none of the persons nominated for election as Directors at the Meeting, nor any personal holding company thereof owned or controlled by them: (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

GOVERNANCE DISCLOSURE

The following summary has been approved by the Governance and Nominating Committee and describes the Corporation's approach to corporate governance in relation to the CSA Guidelines and as required by the Disclosure Rule.

Northland is committed to the highest standards in its governance practices and is focused on its vision to be a top clean and green developer, constructor, owner, and operator of sustainable infrastructure assets. The Corporation is constantly evolving its practices with respect to the formulation and implementation of policies, standards and practices regarding its health, safety and environment related risks. The Corporation believes that strong corporate governance is the foundation for effective oversight, accountability to shareholders and investor confidence.

Northland's Governance and Nominating Committee continually analyzes the Corporation's governance, environmental and social policies to ensure alignment with the highest standards.

Governance Highlights:

Independence – Ensure the majority of the Board is composed of Independent Directors

- Target for minimum percentage of independent Board members (66%) – actual will be 89%
- All Committees of the Board are fully constituted with independent Directors

Board Performance and Composition – Ensure the Board is effective and balanced while providing for new perspectives and ideas

- Continuing education programs for Directors
- Annual Board strategy offsite, including industry presentations and updates on competitive dynamics
- Enhanced process for Board and individual Director evaluations including effectiveness surveys, annual Director and Chair self-assessments, annual one-on-one meetings between each Director and Chair
- Director term limits (15 years) and age limits (75 years old)
- Maintain a skills matrix to help guide the development, management and recruitment of skills and competencies of the Board
- Succession plans for Chairs of Board Committees
- Appointed a new Chair of the Human Resources and Compensation Committee

Diversity – Ensure an inclusive environment where different views and ideas lead to innovation and a stronger organization

- Written diversity policy for the Board, including specific gender targets (30% female) – actual will be 44%
- Written policy relating to the identification and nomination of females to the executive team, including specific targets (25% female) – actual as of the date of this Circular is 43%
- Enhanced diversity and inclusion initiatives, including training sessions, across the Corporation including the formation of the Diversity & Inclusion Council with CEO support

New Directors – Ensure the identification, recruitment and onboarding of new qualified independent directors

- A policy and process for identifying and nominating new Board candidates
- A comprehensive director orientation program including presentations on business and industry dynamics, and overview of key Northland policies and practices

Compensation Alignment – Ensure proper alignment with shareholder interests while providing sufficient incentives to achieve corporate growth objectives

- Modified Northland's programs for executive compensation to more closely align them with shareholder and stakeholder interests
- An incentive claw-back policy and anti-hedging policy to align executive and shareholder interest
- Minimum share ownership guidelines for both Directors and executive management

Other Important Developments – Ensure effective communication with shareholders and ESG best practices

- Maintained a written policy for direct communication by shareholders with the Board
- Advance Notice By-law to facilitate an orderly and efficient process for the election of directors
- Board endorsed Northland's ESG initiatives, with authorization to implement

Sustainability and Environment, Social and Governance (ESG)

Sustainability is integral to Northland's business and its ability to safely and reliably deliver the energy people need while delivering long-term economic value to its shareholders. Since its inception 34 years ago, Northland has been committed to delivering renewable and clean energy projects, with a strong health and safety record, and having a lasting, positive impact in the communities in which it conducts business.

Northland is focused on advancing its Sustainability by integrating ESG initiatives into everyday activities, while enhancing its reporting on material ESG issues for stakeholders. These activities align with Northland's mission of helping develop a carbon-free world. ESG has always been prominent at Northland and Northland is formally launching targets as part of its 2021 Sustainability report and will be committed to the following objectives:

- Supporting carbon reduction targets of the countries in which Northland operates by building significant green energy / renewable projects;
- Adding at least 4 to 5 GW of gross new renewable energy capacity to Northland's portfolio by 2030;
- Committing to reducing Northland's carbon intensity levels by 65% by 2030 from 2019 levels;
- Continued commitment to diversity and inclusion (including 30% female representation at each of the Board and executive management levels);
- Continued emphasis on corporate governance best practices;
- Continuing to uphold the highest standards of health & safety (*zero life-changing incidents*);
- Continuing to serve as a positive and contributing community partner; and
- Being a leader in ESG, through alignment with the United Nations Sustainable Development Goals, reporting in line with SASB in 2021 and a commitment to report inline with TCFD by 2022.

Additional details on Northland's ESG initiatives and performance are available in the Corporation's sustainability report at <https://www.northlandpower.com/en/about-northland/sustainability.aspx>

Role of the Board of Directors

The Board is the central governing body of the Corporation with full, absolute and exclusive power, control and authority over, and management of, the property, assets, affairs and undertakings of the Corporation. The Board is responsible for the stewardship of the affairs of the Corporation and all of the affiliates which may be owned or controlled by the Corporation. The Board seeks to discharge such responsibility by supervising the actions of Northland's management team.

Director Independence

The CSA Guidelines recommend that boards be made up of a majority of independent directors. The independence of Northland's Directors is assessed and determined annually by the Board at the recommendation of the Governance and Nominating Committee. A Director is considered independent if he or she does not have a direct or indirect material relationship with the Corporation. In determining whether a Director is independent, the Board reviews and analyzes the existence, materiality and effect of any relationships between the Corporation and each of its Directors, either directly, through a family member or as a partner, shareholder or officer of another organization that has a relationship with the Corporation and determines, in each case, whether the relationship could, or could reasonably be perceived to, materially interfere with the Director's ability to act independently of management.

Each member of the Board of Directors is or will be considered independent in 2021 for purposes of the Disclosure Rule. Mr. John Brace acted as the Chief Executive Officer of the Corporation on a full-time basis until August 4, 2018 and will become independent in August 2021.

As a standing agenda item at each quarterly and annual Board meeting, the Independent Directors hold a meeting and they also meet following other Board meetings if deemed necessary. Mr. Brace (and prior to his resignation as a Director, Mr. Temerty) and management of the Corporation do not attend meetings of the Independent Directors.

Chair and Lead Director

The CSA Guidelines recommend that boards have either a chair or a lead director who is independent for the purposes of the Disclosure Rule.

The Chair of the Board, Mr. Brace, was not an independent Director in 2020 but will be considered independent in August 2021. Mr. Goodman, an Independent Director, serves as Lead Director of the Board and Chair of the Audit Committee. The responsibilities of the Chair and the Lead Director are set out in the Board Mandate, which is attached as Schedule "A".

Board Mandate

The CSA Guidelines recommend that boards adopt a written mandate in which, among other things, they explicitly acknowledge responsibility for the stewardship of reporting issuers.

The Board adopted the Board Mandate based on the recommendation of the Governance and Nominating Committee. The full text of the Board Mandate is attached at Schedule "A".

Position Descriptions

The CSA Guidelines recommend that boards (i) develop position descriptions for the Chair of the Board, the Chairs of each Committee of the Board, the Chief Executive Officer, and (ii) approve corporate goals and objectives that the Chief Executive Officer is responsible for meeting. The Directors' duties are outlined in the Board Mandate. The Corporation maintains separate Chair and Chief Executive Officer positions, each with their own position descriptions.

Mr. Mike Crawley is the Chief Executive Officer. Mr. Crawley is responsible for the overall financial performance of Northland, setting the vision, strategy, objectives, allocating human and financial capital and providing direction for the leadership and management to achieve the strategic objectives, as outlined in his position description. The Chief Executive Officer is also responsible for fostering a culture of integrity throughout the organization and setting the tone for the standards and guiding principles that determine how Northland conducts business.

The Board adopted position descriptions for the Chair of the Board and the Chair of the Audit Committee, the Chair of the Governance and Nominating Committee and the Chair of the Human Resources and Compensation Committee which are incorporated into the Board Mandate and the Audit Committee Charter, the Governance and Nominating Committee Charter and the Human Resources and Compensation Committee Charter, respectively.

Chair of the Board

Mr. John Brace is the Chair of the Board. Mr. Brace has served on the Board since 2018 and as former CEO of the Corporation, is familiar with the history and operating assets of the Corporation, the corporate strategy and the competitive environment. Mr. Brace served as the CEO of Northland from 2003 until his retirement in August 2018 and in this capacity demonstrated a strong track record of realizing shareholder returns. Mr. Brace possesses extensive knowledge of the power industry, spanning over 30 years primarily through his various roles with Northland since joining the Company in 1988.

Lead Director

Mr. Russell Goodman, an independent director since 2014 and Chair of the Audit Committee, is the Lead Director. Mr. Goodman's extensive experience with public company boards, his deep knowledge of Northland's business and his proven ability to provide independent leadership, particularly given Northland's new widely held share ownership make him well suited for the position. Mr. Goodman has considerable experience leading independent committees, having chaired the Independent Committee of Whistler Blackcomb Holdings Inc. and currently serving as Chair of the Independent Review Committee of IG Wealth Management Funds.

New Chair of Human Resources and Compensation Committee

Mr. Barry Gilmour served as the Chair of the Human Resources and Compensation Committee up until December 31, 2020. The Board, upon the recommendation of the Governance and Nominating Committee, identified and recommended that Ms. Lisa Colnett, an independent director since 2020, be appointed Chair effective January 1, 2021. This decision was based upon Ms. Colnett's extensive experience and leadership in areas of compensation and human resources.

Orientation and Continuing Education

The CSA Guidelines recommend that comprehensive orientation programs for new directors and continuing education opportunities for all directors be instituted by reporting issuers.

New Directors on Northland's Board spend a day with management and attend an orientation session to develop a basic understanding of Northland and Northland's business prior to their first Board meeting. New Directors receive information about their duties and obligations and Northland's business and operations, as well as minutes and other documents from recent board meetings. They also receive a corporate governance manual prepared by management that includes Northland's Articles, by-laws, Board and Committee policies, and other relevant Board documents. Directors are responsible for familiarizing themselves with the content before their first Board and Committee meetings.

The Corporation's management team regularly provides information and copies of published reports concerning relevant industry and regulatory developments to the Directors as part of their continuing education. Presentations are made at each Board meeting on key aspects of the Corporation's businesses and operations.

Management and the Board of Directors also conduct an annual offsite meeting that provides Directors with presentations from management, third party consultants and industry experts on various topics relevant to the renewable power industry.

In addition to the meetings and information provided by management, each Director undertakes professional development courses which promote their further understanding of the business and enhances their Board performance.

Code of Business Conduct and Ethics

The CSA Guidelines recommend the adoption of a written code of business conduct and ethics, applicable to directors, officers and employees of a reporting issuer.

The Board of Directors has adopted the Code of Business Conduct and Ethics which applies to all Directors, officers, employees,

representatives and consultants of the Corporation and all other entities established by the Corporation. The Code outlines the Corporation's standards and expectations with respect to the protection and proper use of its assets. The Code also provides guidelines with respect to confidentiality, conflicts of interest, respect in the workplace, privacy, compliance with laws, insider trading, and the Corporation's commitment to ethical and honest conduct. The Code outlines principled business practices with which all directors, officers, employees, representatives and consultants must comply. The Code is to be attested annually by all employees and the result of this sign off is reported to the Board.

The Code is filed on SEDAR and can be reviewed and obtained from the SEDAR website, www.sedar.com under the Corporation's profile or from the Corporation's website at www.northlandpower.com. Upon request, the Corporation will promptly provide a copy of the Code free of charge to a Common Shareholder.

The Board of Directors appointed Mr. Goodman, Lead Independent Director and Chair of the Audit Committee, as its representative with respect to the reporting of contraventions of the Code. Individuals who contravene, or deviate from, the Code, or who are aware of contraventions of or deviations from the Code, are required to report the matter to management of the Corporation or Mr. Goodman. The Code provides for the anonymous reporting of information and a prohibition on any retaliation with respect to reporting, in order to encourage ethical conduct. The Corporation has also established a Financial Integrity Policy with respect to the reporting of questionable auditing or accounting practices.

The Code requires individuals, including Directors, to advise management of the Corporation or Mr. Goodman if they believe that they might have a personal interest that may put them in a position of conflict. A Director who has a material interest in a matter before the Board of Directors is required to abstain from voting on the matter and may be required to absent himself/herself from the meeting while discussion of the issue takes place.

No departures from or waivers of compliance with the Code have occurred or been granted.

Nomination of Directors

The CSA Guidelines recommend the institution of a nominating committee composed entirely of independent directors as well as a written charter with respect to the committee. The CSA Guidelines make recommendations with respect to the process that should be followed prior to nominating or appointing individuals as directors.

Dr. Bountrogianni, Mr. Gilmour, Mr. Halbert and Mr. Pearce were members of the Governance and Nominating Committee in 2020, with Dr. Bountrogianni serving as Chair of that Committee. The Governance and Nominating Committee is responsible for identifying all proposed candidates for nomination as Directors having regard to the skills, competencies and experience that it considers appropriate for the Board of Directors to possess in order to effectively guide the long-term strategy and ongoing business of the Corporation.

Regular Board Assessments

The CSA Guidelines require that boards, committees and individual directors should be regularly assessed regarding their effectiveness and contribution.

To ensure the Board is effective, aligned with best practices and meeting performance objectives, the Board conducts formal performance reviews on the Board, the Chair and Committee Chairs. This process is conducted by self-assessment and focuses on Board role and governance, performance and risk monitoring, Board operations and meetings and the overall performance of the Board and Committee Chairs. A report of the responses is prepared by the Corporate Secretary and is delivered to the Chair of the Board and the Lead Independent Director for review and discussion. The Chair and Lead Independent Director determine the appropriate manner in which to communicate the results, recommendations, suggested changes, and individual director feedback to the full Board, each Committee Chair and individual board members.

Director Age and Term Limits

The Board strives to achieve a balance between the need to have a depth of experience and knowledge available from its members and the need for renewal and new perspectives. The Board relies on an annual director assessment procedure in evaluating Board members and believes that it can best strike the right balance between continuity and fresh perspectives.

The Board adopted mandatory age and term limits for directors that requires Directors to tender their resignations to the Governance and Nominating Committee as follows:

- (i) A non-executive Director shall not stand for re-election at the first annual meeting of shareholders after 15 years of service following the date on which the director first began serving on the Board of the Corporation (excluding its predecessors such as Northland Power Income Fund).
- (ii) A non-executive Director shall not stand for re-election at the first annual meeting of shareholders after such Director has reached 75 years of age.

The Board believes that in limited circumstances in which the Governance and Nominating Committee recommends, and the Board determines, that it is not in the best interests of the Corporation to enforce these term and age limits, a non-executive Director may continue to stand for re-election.

It is proposed that each of the persons elected as a Director at the Meeting will serve until the close of the next annual meeting of the Corporation or until his or her successor is elected or appointed.

Diversity

The Corporation recognizes and embraces the benefits of promoting diversity in its Board of Directors and in senior management. Diversity promotes the inclusion of different perspectives and ideas and ensures that the Corporation has the opportunity to benefit from all available talent. The Corporation believes that diversity enhances organizational strength, problem solving ability and the opportunity for innovation.

The Governance and Nominating Committee's Charter encourages diversity in the composition of the Board and requires periodic review of the composition of the Board as a whole to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of diversity, knowledge, experience, skills and expertise required for the Board as a whole.

The Corporation is committed to a merit-based system for Board and senior management composition, based on experience, expertise, background and skills, having regard to the Corporation's current and future plans. When assessing Board and senior management composition, the Corporation will consider candidates on such merit-based system against objective criteria having due regard to the benefits of diversity and the needs of the Corporation and the Board. If external advisors are engaged to assist, they will be instructed to be mindful of such considerations.

The Board adopted specific targets for female representation at the Board and senior management levels. Pursuant to the terms of the Diversity Policy, the Corporation shall, in considering candidates for nomination to the Board and when assessing the composition of the senior management team:

- (i) Seek to have a Board in which at least 30% of the directors are women, and
- (ii) Seek to have a senior management team in which at least 25% of the members of senior management are women.

Currently, the Board is comprised of three female directors (38%) and five male directors (62%). If all of the Director Nominees named in the Circular are elected at the Meeting, there will be four female (44%) and five male directors (56%).

The Corporation ensures the most talented and strongest leaders are recruited, developed and retained to achieve its business objectives and recognizes the value of diversity, including knowledge, experience, skills, expertise, gender and background in making its decisions. In July 2019, Northland announced the retirement of its then Chief Financial Officer, Mr. Paul Bradley and subsequently initiated a search for his replacement. In March 2020, Northland announced the appointment of Ms. Pauline Alimchandani as Mr. Bradley's successor, effective April 13, 2020. In addition, the Corporation added Ms. Wendy Franks to the executive team in June 2020, serving as Executive Vice President Strategy and Investment Management and early in 2021, Ms. Rachel Stephenson was appointed as Chief People Officer of the Corporation following the retirement of Mr. John Hannah. Following these appointments, female representation in the executive officer positions of the Corporation is 43%.

Shareholder Engagement Policy

The Board of Directors believes that it is important to have regular and constructive engagement directly with shareholders to allow and encourage shareholders to express their views on corporate governance matters directly to the Board outside of annual meetings. These discussions are intended to be an exchange of views about corporate governance matters that are within the public domain and will not include a discussion of undisclosed material facts or material changes. To facilitate such engagement, the Board maintains a Shareholder Engagement Policy which outlines how the Board may communicate with shareholders and how shareholders can communicate with the Board. This Policy also describes how management interacts with shareholders.

The Board annually communicates information about the Board and the Corporation's corporate governance practices through the Corporation's management information circular. In between annual meetings, the Corporation supports an open and transparent process for shareholders to contact the Board directly, through the office of the Corporate Secretary, either by:

- (i) **mail:** Northland Power, 30 St. Clair Avenue West, 12th Floor, Toronto, Ontario, Canada M4V 3A1
- (ii) **email:** investorrelations@northlandpower.com
- (iii) **website:** www.northlandpower.com

The Corporate Secretary and the Corporation's Investor Relations team have been designated by the Board as its agent to receive and review communications and meeting requests addressed to the Board. The Corporate Secretary and Investor Relations will determine whether the communication received is a proper communication to the Board or should be addressed by management. Questions or concerns regarding the Corporation's general business operations, financial results, strategic direction and similar matters are most appropriately addressed by management and Investor Relations. On the other hand, if management receives any questions that the Board should be made aware of, the information will be passed on to the Corporate Secretary to consider.

The Board will endeavor to respond to all appropriate correspondence in a timely manner. On a quarterly basis, the Corporate Secretary reports to the Board on all such communications and meeting requests.

BOARD COMMITTEES

Audit Committee

The Board of Directors has established an Audit Committee composed of Mr. Goodman, Mr. Halbert, Ms. Colnett and Mr. Pearce, with Mr. Goodman serving as Chair of the Committee. All members of the Audit Committee are independent, as defined in National Instrument 52-110 Audit Committees. The Audit Committee meets with representatives of management to discuss internal controls, financial reporting issues, risk management, and auditing matters related to Northland. The Board has adopted an Audit Committee Charter which sets out terms of reference for the Audit Committee consistent with the Audit Committee Rule. All of the members of the Audit Committee are financially literate. The Audit Committee is comprised entirely of Independent Directors.

The Audit Committee is responsible for:

- (i) the annual review of the Audit Committee Charter;
- (ii) the selection, compensation, retention and oversight of the work of the external auditors – the external auditors report directly to the Committee;
- (iii) overseeing the effectiveness of the Corporation's internal controls, including internal controls over financial reporting, IT and the integrity of financial statements and processes;
- (iv) overseeing reliable, accurate and clear financial reporting to shareholders;
- (v) overseeing the establishment and maintenance of policies and processes reasonably designed to achieve compliance with laws and regulations that apply to the Corporation;
- (vi) addressing complaints and "Whistle Blowers"; and
- (vii) overseeing enterprise risk management, taxation policy and insurance coverage.

In undertaking its work, the Audit Committee establishes a number of priority objectives each year and regularly monitors its progress toward achieving the objectives. The Audit Committee is involved in assessing the qualifications of the external auditor and their work quality as well as selecting the lead audit partner. The Audit Committee undertook a 4-month process to select a new lead audit partner for the 2020 year. The partner candidates were evaluated based upon their direct relevant public company experience as lead audit partners on comparable international companies, with a specific emphasis on experience in Latin America, Europe and Asia. Based upon that process, the Audit Committee selected one candidate, who then had further interviews with the Chair of the Board, the President & Chief Executive Officer and the Chief Financial Officer. The selected lead audit partner then began an on-boarding process to prepare for the 2020 external audit.

The Audit Committee meets regularly with the external auditors, without members of management being present. The committee also meets separately with the Chief Financial Officer and President & Chief Executive Officer, without other members of senior management being present.

In addition to its responsibilities as detailed above, the Audit Committee is also focused on the following initiatives:

- Overseeing the selection and adoption of accounting policies, internal processes and controls, external financial reporting;
- Reviewing and approving the Corporation's non-IFRS measures and related adjustments, financial guidance and prospectus documents;
- Monitoring and overseeing the implementation of Northland's plans relating to:
 - cyber security and privacy risks; and
 - enterprise risk management;
- Providing support to Northland's efforts to improve the clarity of the Corporation's financial disclosures; and
- Sessions to educate audit committee members in respect of new accounting and reporting developments and other pertinent matters.

Details regarding the Audit Committee, its members and their responsibilities are provided in the AIF. The text of the Audit Committee Charter is contained at Schedule "A" to the AIF. The AIF is available on the SEDAR website at www.sedar.com under the Corporation's profile. Upon request, the Corporation will provide a copy of the AIF free of charge to a shareholder.

Upon successful election of all Director Nominees at the shareholder meeting it is expected that Mr. Goodman, Mr. Halbert, Mr. Pearce, Mr. Glass and Ms. Mallovy Hicks will serve as members of this Committee, with Mr. Goodman continuing as Chair.

Human Resources and Compensation Committee

The Board of Directors has established a Human Resources and Compensation Committee composed of Mr. Gilmour, Ms. Colnett and Mr. Goodman, and Dr. Bountrogianni. Mr. Gilmour served as Chair in 2020, and Ms. Colnett has been serving as Chair effective January 1, 2021. Each member of the Human Resources and Compensation Committee is an Independent Director.

The Board of Directors adopted the Human Resources and Compensation Committee Charter based on the recommendation of the Human Resources and Compensation Committee and based on the CSA Guidelines. The CSA Guidelines recommend the institution of a compensation committee composed entirely of independent directors as well as a written charter with respect to the committee and to responsibilities of

the committee.

The Charter sets out procedures, responsibilities, composition and authority of the Human Resources and Compensation Committee. Meetings of the Human Resources and Compensation Committee are held at such times as it deems necessary to fulfill its responsibilities. The responsibilities of the Committee include, but are not limited to, the following:

- (i) reviewing and approving Northland's compensation strategy;
- (ii) evaluating the activities of the Chief Executive Officer and determining his or her compensation;
- (iii) monitoring the compensation of Directors and senior officers of the Corporation;
- (iv) overseeing the administration of the Corporation's LTIP, and RSU Plan, including the approval of grants of awards based on the recommendation of the CEO; and
- (v) reviewing and approving employment agreements, severance agreements and retirement agreements and other compensation arrangements with named executive officers.

The Human Resources and Compensation Committee reviews annually the market competitiveness of Director and executive compensation against companies of similar size and scope in Canada. Under the leadership of the Human Resources and Compensation Committee, important structural improvements were implemented, effective in 2019, to executive compensation plans to better align them with shareholders' and other stakeholders' interests. This included the adoption of a recoupment policy and the implementation of minimum shareholdings for named executive officers and directors.

The Human Resources and Compensation Committee also considers the time commitment and experience required of members to serve on Northland's Board and to ensure it attracts and retains qualified Directors. The Company benchmarks its compensation to the median of Canadian companies of Northland's peer group, which generally are of similar size from a revenue, asset and market capitalization basis.

Upon successful election of all Director nominees at the shareholder meeting it is expected that Ms. Colnett, Dr. Bountrogianni, Mr. Goodman, Mr. Halbert and Mr. Glass will serve as members of this Committee, with Ms. Colnett continuing as Chair.

Governance and Nominating Committee

The Board has established a Governance and Nominating Committee composed of Dr. Bountrogianni, Mr. Gilmour, Mr. Halbert and Mr. Pearce, with Dr. Bountrogianni serving as Chair of the Committee. Each member of the Governance and Nominating Committee is an Independent Director.

The Governance and Nominating Committee assists the Board with respect to:

- (i) developing the Corporation's approach to governance issues, which include environmental, social, governance matters, and diversity matters;
- (ii) recommending new Board candidates;
- (iii) recommending nominees and Chairs to each committee of the Board;
- (iv) assessing the effectiveness of the Board and the committees of the Board as a whole and the contribution of individual members; and
- (v) providing orientation assistance for new Board members.

The Governance and Nominating Committee also monitors trends and best practices in corporate governance, diversity, and environmental, social and governance matters to ensure the Corporation is aligned with recent best practices. In addition, the Governance and Nominating Committee conducts an annual review of the corporate governance practices and legislative and policy requirements applicable to the Corporation and the Corporation's policies and, if appropriate, recommends modifications to these policies to the Board.

Upon successful election of all Director nominees at the shareholder meeting it is expected that Dr. Bountrogianni, Ms. Colnett, Mr. Pearce and Ms. Malloy Hicks will serve as members of this Committee, with Dr. Bountrogianni continuing as Chair.

Other Board Committees

The Board currently has no standing committees other than the Audit Committee, the Governance and Nominating Committee and the Human Resources and Compensation Committee.

The Board has decided not to establish any additional separate committees at this time and the Directors generally operate as a committee of the whole. However, where it is appropriate to operate through a committee other than the standing committees, then any such committee will be composed of a majority of Independent Directors.

COMPENSATION OF DIRECTORS

The compensation of the Directors is designed to attract and retain the most qualified people with the experience and ability to serve on Northland's Board, and to align the interests of Directors with Northland through long-term share ownership.

Director compensation is regularly benchmarked relative to a peer group comprised of the constituents of the S&P/TSX Capped Utilities Index. Director compensation is reviewed by the Human Resources and Compensation Committee. Consistent with Northland's executive compensation peer group, Northland is reviewing its benchmarking peer group approach for Director compensation will simplify the fee schedule on a prospective basis.

Director compensation includes annual retainers and meeting fees. All or a portion of their compensation may either be paid in cash or in the form of DSUs, at the election of each Director.

The following table sets out the Director fee schedule for 2020:

Component	Amount
Annual Chair retainer	\$250,000
Annual Director retainer	\$100,000
Annual Committee retainers	
Audit Committee Chair	\$20,000
Governance and Nominating Committee Chair	\$10,000
Compensation Committee Chair	\$15,000
Audit, Governance and Nominating and Compensation Committee members	\$5,000
Lead Director retainer	\$50,000
Attendance fees¹	
Board and Committee meetings - in person	\$1,500 / meeting
Board and Committee meetings - teleconference	\$1,000 / meeting

- Each Director who served as an Independent Director was paid an additional in-person or teleconference meeting fee in respect of each meeting of the Independent Directors attended where the meetings required lengthy proceedings. Where such meetings were associated with a board meeting and were relatively short, no compensation was paid. Directors are reimbursed for their respective out-of-pocket expenses in relation to their attendance at Board and Committee meetings.
- As of December 9, 2020, Directors will be paid the in-person attendance fee during the period which COVID-19 restrictions are in place limiting attendance to virtual-only.

Share Ownership Guidelines

The Board believes in aligning the interests of Directors and Shareholders. The Human Resources and Compensation Committee established amended Share Ownership Guidelines in November 2018, requiring Directors to hold at least three times the total value of their annual retainer in common shares and/or DSUs. The value of ownership is calculated at the higher of cost of acquisition or market value as of the date of this Circular. Directors must meet the requirement within five years of the date the amended guidelines, or the date they were appointed to the Board, whichever occurred later.

The following table shows the Common Shares and DSUs each Director held as at the Record Date and includes reinvested dividends.

Director	Ownership requirement (\$)	Total Common Shares and DSUs (#)	Value (\$)¹	As a % of ownership requirement (%)	Meets ownership requirement	Deadline to meet ownership requirement
John Brace (Chair) ²	\$750,000	226,026	\$10,514,119	1406%	Yes	December 10, 2024
Linda L. Bertoldi	\$300,000	13,000	\$604,725	202%	Yes	December 31, 2023
Marie Bountrogianni	\$300,000	8,203	\$381,581	128%	Yes	December 31, 2023
Lisa Colnett	\$300,000	3,121	\$145,180	49%	On Track	May 21, 2025
Barry Gilmour	\$300,000	62,139	\$2,937,195	946%	Yes	May 20, 2023
Russell Goodman	\$300,000	28,123	\$1,308,206	437%	Yes	May 20, 2023
Keith Halbert	\$300,000	6,002	\$279,197	93%	On Track	May 21, 2024
Ian Pearce	\$300,000	1,872	\$87,080	29%	On Track	May 21, 2025
James C. Temerty C.M.	\$300,000	—	\$0	0%	Retired from Board on January 31, 2021	—

- The value is determined using the 5-day volume weighted average share price of the Corporation as at the Record Date.
- John Brace's deadline to meet his ownership requirement is based on his appointment as Chair of the Board on December 11, 2019.

DIRECTORS COMPENSATION TABLE

The following table sets out all amounts of compensation provided to the Directors for 2020 in their capacity as Directors. Each Director can elect to receive their fees either as cash, DSUs or some combination thereof:

Director	Fees Earned ¹	Share-based Awards ²	Total
John Brace (Chair) ³	\$250,000	—	\$250,000
Linda L. Bertoldi	\$126,956	—	\$126,956
Marie Bountrogianni	\$96,000	\$65,004	\$161,004
Lisa Colnett ⁴	\$40,708	\$40,708	\$81,417
Barry Gilmour	—	\$158,513	\$158,513
Russell Goodman	\$136,000	\$87,405	\$223,405
Keith Halbert	\$146,250	—	\$146,250
Ian Pearce ⁴	\$33,167	\$49,750	\$82,917
James C. Temerty C.M.	\$120,000	—	\$120,000

1. Fees earned reflect elected cash compensation amounts.
2. Share-based awards reflect elected compensation in the form of DSUs.
3. John Brace also received a cash payment of \$32,250 in 2020 for services rendered in the fourth quarter of 2019.
4. Lisa Colnett and Ian Pearce were appointed to the Board on May 22, 2020, and as such their total compensation reflects part of the year.

Share-based Awards

Director (2020)	Share-based Awards (DSUs)			
	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Number of shares or units of shares that have vested (#)	Market value or payout value of vested share-based awards not paid out or distributed (\$)
John Brace (Chair)	—	—	—	—
Linda L. Bertoldi	—	—	—	—
Marie Bountrogianni	—	—	4,409	\$205,095
Lisa Colnett	—	—	1,580	\$73,497
Barry Gilmour	—	—	46,750	\$2,174,684
Russell Goodman	—	—	22,523	\$1,047,709
Keith Halbert	—	—	502	\$23,352
Ian Pearce	—	—	1,872	\$87,080
James C. Temerty C.M.	—	—	—	—

1. Value is determined using the 5-day volume weighted average share price of the Corporation leading as at the Record Date.

Deferred Share Unit (DSU) Plan

Northland's DSU Plan promotes alignment of interests between its Directors, executive officers and Shareholders, by providing a means for Directors and executive officers to accumulate a meaningful financial interest in Northland, commensurate with the responsibility, commitment and risk of Directors and executive officers, and to enhance Northland's ability to attract and retain qualified individuals with the experience and ability to serve as its Directors.

Pursuant to the DSU Plan, a Director or an executive officer of Northland (each, a "Participant") is entitled to elect to receive all or any part of his or her annual compensation (in the case of a Director) or earned cash incentive compensation (in the case of an executive officer) in the form of DSUs. The number of DSUs credited to a Participant's account is determined by dividing the amount of the deferred annual compensation by the market value of the Common Shares less a discount (the "Discount") of up to 5% on such market value, as may be approved at the discretion of the Board and equal to the same percentage and calculated in the same manner as the discount in effect pursuant to Northland's dividend reinvestment plan ("DRIP"), if any (currently set at a 3% discount). The DSUs are credited on the date that the Participant's compensation would otherwise be payable and vest immediately upon being so credited. When dividends are paid on Common Shares, additional DSUs are credited to the Participant as of the dividend payable date, based on multiplying the aggregate number of DSUs credited to the Participant by the amount of the dividend per Common Share and dividing such product by the market value of the Common Shares less the Discount.

Upon a Participant ceasing, for any reason, to hold any positions with Northland and any subsidiary of Northland (the "Termination Date"), all DSUs will be redeemed by the Corporation. A Participant is not entitled to receive any amount prior to such date. A Participant may elect, by providing notice in writing to the Corporation prior to the Termination Date, that all earned DSUs be redeemed at a time subsequent to the Termination Date and prior to the end of the year following the year in which the Participant's Termination Date occurs. Upon redemption, the Participant is entitled to receive a cash payment equal in value to the number of earned DSUs as of the Termination Date multiplied by the market value per Common Share determined as at the Termination Date, less applicable withholding taxes.

The DSU Plan is reviewed by the Human Resources and Compensation Committee and administered by Northland's management team.

SUMMARY REPORT FROM THE HUMAN RESOURCES AND COMPENSATION COMMITTEE

Dear Shareholders,

Thank you for your ongoing support in our continued growth and success, we are honoured that you have entrusted your confidence in us to effectively carry out our mandate. We are very pleased with our management team and employees' performance in this very challenging year. Their commitment to our business has enabled us to successfully execute on our business strategy and meet our key objectives while maintaining a focus on safety and reliability.

In 2020, we conducted our Say-on-Pay vote and received an approval result of 88.24%. Going-forward, we will continue to review best practices on executive compensation and related governance trends in an effort to continually develop our programs and practices over time. As a first step in this process, we have provided enhanced disclosure in our compensation programs to demonstrate alignment of these programs to our business strategy, the attraction and retention of executives to successfully execute our strategy, and long-term shareholder value creation.

Our Business Strategy

In this ever changing environment, our commitment to the growth of our business means that we remain focused on providing shareholders with sustainable dividends and share value growth from the successful management of Northland's assets, businesses and investments related to the production, delivery and sale of energy-related products and services. We continue to focus on our key strategic objectives to successfully execute on our strategy, including winning business, building facilities, operating facilities and organizational effectiveness.

2020 Financial Results

Our strong financial results from 2020 reflect our successful execution of our business strategy and meeting our strategic objectives in this challenging environment (further details are captured in our MD&A).



Pay for Performance

Executive compensation includes cash and equity-based compensation with terms varying from one year for annual base salary and the short-term incentive plan, and three years for long-term incentives.

Compensation under our incentive programs is variable, or at-risk (i.e., approximately 80% of the pay for the President & CEO, and an average of 56% of the pay for other NEOs), to motivate executives to deliver strong corporate and individual performance. The equity-based components of our incentive programs are aligned with the objectives of shareholders in that they are focused on growing Northland's business, improving financial and non-financial corporate performance and delivering sustainable shareholder value.

The Human Resources and Compensation Committee reviews and ensures that performance targets remain aligned with market guidance and that overall incentive awards reflect a holistic perspective of Northland's performance.

Executive Transition

We continued to build our executive team in support of our long-term strategic objectives and welcomed Ms. Pauline Alimchandani and Ms. Wendy Franks to our team in 2020. Their pay was generally aligned with our compensation philosophy while recognizing the compensation that they received in their former roles. To support an effective transition, they both received a grant of deferred rights which vest equally over three years to offset forgone compensation and to support retention.

2020 NEO Pay Decisions

Base salaries were increased by 5% for Mr. Mike Crawley, our President & CEO, and an average of 2.5% for other NEOs in 2020, based on market trends and the relative positioning of our executives' salaries against market. Mr. Crawley's increase was reflective of his growth in the role and alignment with market as determined through our annual benchmarking review process.

2020 actual short-term incentive awards were positioned slightly above target, reflecting a mix of performance outcomes across our balanced scorecard:

- Winning business – 125% of target given new opportunities secured in 2020
- Building facilities – 70% of target due to challenges at La Lucha primarily from COVID-related delays
- Operating financial performance – 58% of target for Free Cash Flow (FCF) per share and 106% of target for adjusted EBITDA
- Relative peer performance – 150% of target based upon total shareholder return given our strong total shareholder returns in 2020

The Human Resources and Compensation Committee also reviewed the President & CEO's growth incentive relative to key long-term strategic objectives designed to support the transition of Northland. Based on this assessment, the Compensation Committee recommended to the Board an award of \$750,000 for 2020. This award is provided in RSUs which vest over three years to maintain alignment with shareholders over time and to support share ownership.

In 2020, the Human Resources and Compensation Committee approved new performance-based restricted share units (PRSU), that are administered under the RSU plan, for select executives which provides a performance-based long-term incentive that is fully at-risk. The 2020 PRSU grant includes performance measures that are aligned with our strategy including: free cash flow per share, relative total shareholder returns and key strategy initiatives.

Shareholder Engagement

Further to the business items at the beginning of this Circular, and our continuous improvement efforts to provide best-in-class information to our shareholders, we welcome your input through advisory voting as it relates to executive compensation. We encourage engagement with our shareholders and will respond to feedback received.

* * * * *

Our strength in growing our business remains with our employees and our leadership team. Throughout this past year, we have seen the Northland Power team continue their commitment to our business and its success and appreciate all of their work and effort to help us achieve our strong results in a safe and reliable manner.

Members of the Human Resources and Compensation Committee

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis (“**CD&A**”) is primarily focused on the compensation summary for Northland’s CEO, CFO and three highest paid executives (our named executive officers or “**NEOs**”) and the executive compensation philosophy, practices and policies that were in place during the 2020 fiscal year.

Named Executive Officers

Name	Title
Mike Crawley	President and Chief Executive Officer
Paul Bradley ¹	Chief Financial Officer
Pauline Alimchandani ²	Chief Financial Officer
Wendy Franks ³	Executive Vice President, Strategy & Investment Management
Morten Melin	Executive Vice President, Construction
David Povall ⁴	Executive Vice President, Development

1. Mr. Bradley served as Chief Financial Officer up to April 13, 2020.
 2. Ms. Alimchandani was appointed Chief Financial Officer effective April 13, 2020.
 3. Ms. Franks was appointed Executive Vice President, Strategy & Investment Management June 29, 2020.
 4. Mr. Povall is included as an additional NEO to reflect Northland’s executive leadership team.
- Note: Mr. Troy Patton served as Chief Operations Officer until February 18, 2021.

In this CD&A, all references to “**Committee**” mean the Human Resources and Compensation Committee, which has reviewed and approved the contents of this section.

Compensation Philosophy & Practices

This Circular is primarily focused on the compensation summary for the named executive officers for the year ending 2020 and the executive compensation philosophy, practices and policies that were in place during the 2020 fiscal year.

The guiding principles of Northland’s compensation arrangements for executives are to:

- align the interests of executives with those of shareholders;
- sensibly reward performance and leadership; and
- attract and retain highly qualified talent with the requisite skills, industry knowledge and experience to achieve Northland’s strategic objectives and create sustainable value for Shareholders.

Compensation Practices at-a-Glance

The following table summarizes Northland’s compensation design and governance practices which are reviewed regularly for continued alignment with market and best practices.

✓ What Northland Does	× What Northland Does Not Do
<i>Compensation Design</i>	
<ul style="list-style-type: none"> ✓ Align Northland’s compensation programs with its business strategy and relevant peer companies ✓ Provide the majority of compensation in variable pay which is at-risk and performance-oriented ✓ Link the majority of variable pay to long-term performance ✓ Recoup awards from executives if Northland is required to restate its financial and other results ✓ Have an anti-hedging policy that prohibits insiders from engaging in any transaction in which they could benefit, directly or indirectly, if the value of any Northland securities falls ✓ Cap payouts from Northland’s incentive plans ✓ Ability to apply discretion to address extenuating circumstances 	<ul style="list-style-type: none"> × Grant stock options or grant options at a discount × Guarantee a minimum payment in Northland’s incentive plans × Encourage excessive risk-taking through Northland’s compensation plans × Benchmark compensation against unreasonable or aspirational peer companies
<i>Compensation Governance</i>	
<ul style="list-style-type: none"> ✓ Provide for an annual “say on pay” vote ✓ Consider Northland’s risk profile when assessing compensation designs and outcomes ✓ Have a qualified and independent Compensation Committee that uses an independent advisor ✓ Require executives to have a meaningful ownership stake in the company 	

NEO Total Direct Compensation Benchmarking

As part of the Committee’s annual review process, the Committee considers compensation levels relative to a benchmarking comparator group that reflects the ongoing attraction and retention of executive talent. Peer groups for executive compensation and corporate performance benchmarking purposes are reviewed in a consistent manner to ensure the peers continue to be appropriate for Northland.

In 2020, for executive compensation benchmarking purposes, the Committee approved the following comparator group of twelve independent power producers:

1. Algonquin Power & Utilities Corp.
2. AltaGas Ltd.
3. ATCO Ltd.
4. Boralex Inc.
5. Brookfield Renewable Partners L.P.
6. Capital Power Corporation
7. Emera Incorporated
8. Fortis Inc.
9. Innergex Renewable Energy Inc.
10. Pattern Energy Group Inc.
11. Superior Plus Corp.
12. TransAlta Corporation

In selecting this group, Northland’s target is to be around the 50th percentile of this group based on assets, total enterprise value and revenue.

The Committee takes into account market positioning as well as other factors in making its recommendations for the Board. These factors include individual experience, performance, time in their role, and market conditions. The target is to pay at or around the 50th percentile for target performance. Total realized compensation will vary based on the performance of the Corporation and individuals.

Willis Towers Watson completed the executive benchmarking review and comparison in 2020. Competitive market data on executive compensation is sourced from publicly available proxy circulars and if applicable, third-party compensation surveys for positions that are similar in scope and responsibility.

In 2021, the Committee reviewed the executive compensation benchmarking peer group and intend to make changes to reflect the broad market for executive talent. The review included consideration of Northland’s evolving business strategy, growth, and executive talent market to ensure ongoing alignment on industry, size and geographic footprint.

CORPORATE GOVERNANCE FRAMEWORK

Risk Management Process

The Board establishes acceptable levels of risk, which govern Northland’s business decisions and risk management policies. Compensation risk is factored into every compensation decision or recommendation the Committee makes to ensure decisions and actions are consistent with Northland’s policies and practices and appropriate based on market conditions and peer practices.

Northland’s compensation program is structured to provide an appropriate balance of risk and reward, consistent with the company’s risk profile and to ensure that compensation practices do not encourage excessive risk-taking by executives.

The compensation program includes several risk-mitigating features:

- Providing a mix of short-, medium- and long-term compensation components
- Utilizing a balanced scorecard approach for the short-term incentive plan with financial, growth, operational and relative total shareholder return metrics
- Setting performance targets aligned with market guidance and bonus payout levels with specific performance thresholds and maximums
- Exercising discretion to ensure the annual incentive and long-term equity compensation payouts are sensible by adjusting the corporate targets and results to account for extenuating circumstances and/or one-time items in the context of the overall assessment of performance for Northland and the operating environment, and/or by holding back or cancelling payout of deferred rights related to development projects if satisfactory project performance is not substantiated
- Applying other governance features, including a Recoupment Policy, an anti-hedging policy (contained in Northland’s Financial Integrity Policy) and minimum executive share ownership requirements (see below)

Recoupment Policy (Clawback)

Northland has a Recoupment Policy in relation to executive compensation. The purpose of this Policy is to enable Northland to recoup, under certain circumstances, any incentive or equity-based compensation paid or awarded to executive officers and senior managers of Northland.

In the event of a material re-statement of the financial statements, or if an executive officer and/or senior manager engages in conduct which the Board of Directors determines is materially detrimental to Northland, these officers/senior managers may be required to pay or forfeit an amount equal to some or all of any incentive or equity-based compensation. This amount of recoupment, if any, is determined by the Committee, which will recommend appropriate action to the Board.

This recoupment is in addition to, and not in place of, any other recourse or rights Northland may have, or any actions imposed by law enforcement agencies, regulators or other authorities.

Anti-Hedging Policy

Northland has adopted an anti-hedging policy (contained in Northland’s Financial Integrity Policy), whereby employees and directors are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the officer or director.

Share Ownership Guidelines

Northland’s minimum executive share ownership guidelines further demonstrate alignment between executive and shareholder interests. Northland’s executives must beneficially own a certain number of Common Shares based on targets varying by position. Included in calculating the value to meet ownership guidelines are all Common Shares owned (directly or indirectly), and issuable and vested Deferred Rights.

Share Ownership Guidelines	
CEO	4x annual base salary
All Other Executives	2x annual base salary

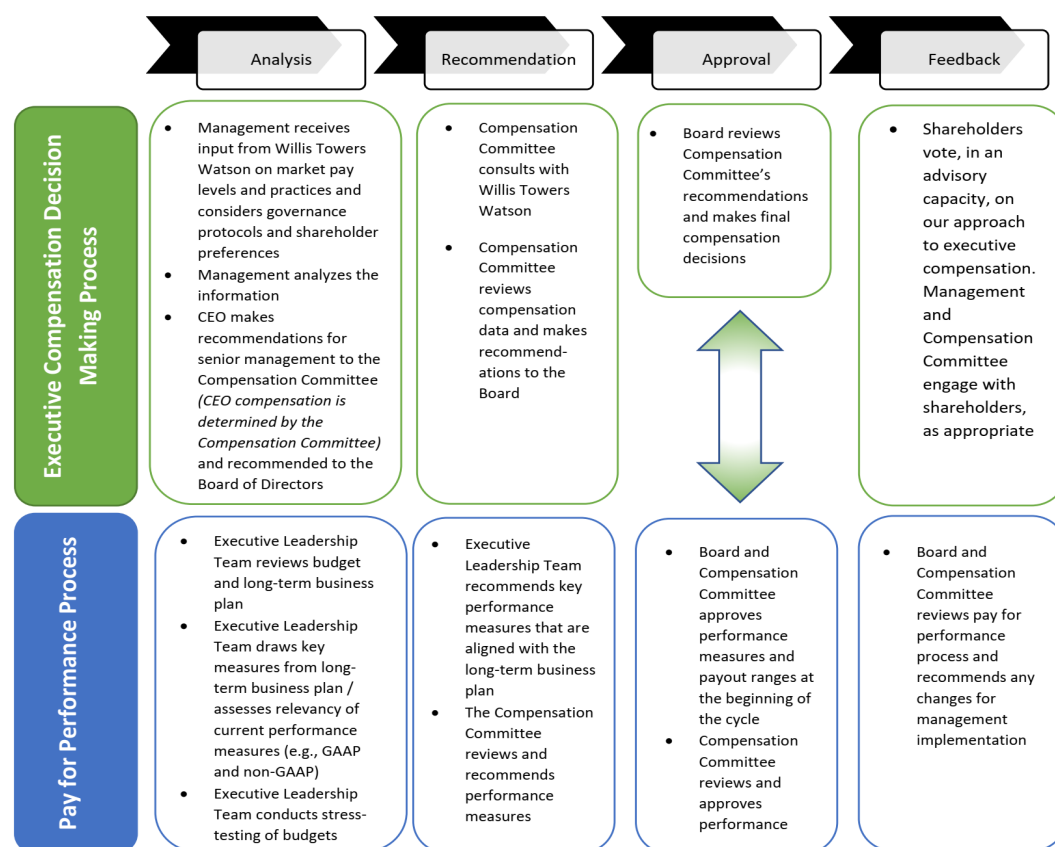
The following table sets forth the compliance of each NEO with the share ownership guidelines as a multiple of current annual salary as at the Record Date.

NEO	2020 Annual Salary	Executive Share Ownership Guideline Level	Ownership Requirement (\$)	Holdings		Holding Value (\$)¹	Multiple of Annual Salary held in Shares and DSUs	Deadline to Meet Ownership Requirement
				Shares	DSUs			
Mike Crawley	\$525,000	4x	\$2,100,000	75,959	8,318	\$3,920,339	7.5x	August 3, 2025
Pauline Alimchandani	\$475,000	2x	\$950,000	—	6,073	\$282,500	0.6x	April 12, 2025
Wendy Franks	\$410,000	2x	\$820,000	—	3,427	\$159,415	0.4x	June 28, 2025
Morten Melin²	\$451,568	2x	\$903,137	—	—	—	0.0x	July 31, 2025
David Povall	\$410,000	2x	\$820,000	—	—	—	0.0x	October 15, 2025

- Value is determined using the 5-day volume weighted average share price of the Corporation leading as at the Record Date.
- Mr. Melin's compensation amounts are expressed in Canadian dollars and have been converted to Canadian dollars from Euros using a 2020 average exchange rate of Euro 1.00 = C\$1.5299.

Executive Compensation Decision Making & Pay for Performance Processes

Northland has a structured process to analyze, review and approve executive compensation and to ensure alignment with the budget and long-term business plan as illustrated below:



Compensation Advisors

Northland initially engaged Willis Towers Watson in 2016 to provide independent advice to the Committee on executive compensation matters, including market benchmarking and other strategic matters. Willis Towers Watson has a number of protocols in place to preserve its independence and objectivity. There is a clear reporting relationship between Willis Towers Watson and the Committee, regular meetings have been held between Willis Towers Watson and the Committee without management present, and executive compensation consulting advice has been retained and managed directly by the Committee.

Willis Towers Watson continued their engagement to provide compensation advice and other related services to management as part of an ongoing benchmarking review of the employee compensation programs as they cascade down from the overall executive compensation philosophy and approach.

The information and advice provided by Willis Towers Watson are factors considered when making decisions regarding executive compensation; however, the Committee and Board do not rely exclusively on this information and their decisions can reflect a number of factors and considerations. The Committee will continue to regularly review the executive compensation programs to determine if any changes are warranted to support Northland’s business and talent strategies.

Compensation Consultant Fees

Consultant	Type of Work	2020 Fees	2019 Fees
Willis Towers Watson	Executive Compensation-Related Fees	\$154,319	\$176,009
Willis Towers Watson	Other Fees*	\$56,501	\$78,465

*Other fees include non-executive compensation advisory support and actuarial advisory support for EBSA

Compensation Components and 2020 Compensation Decisions

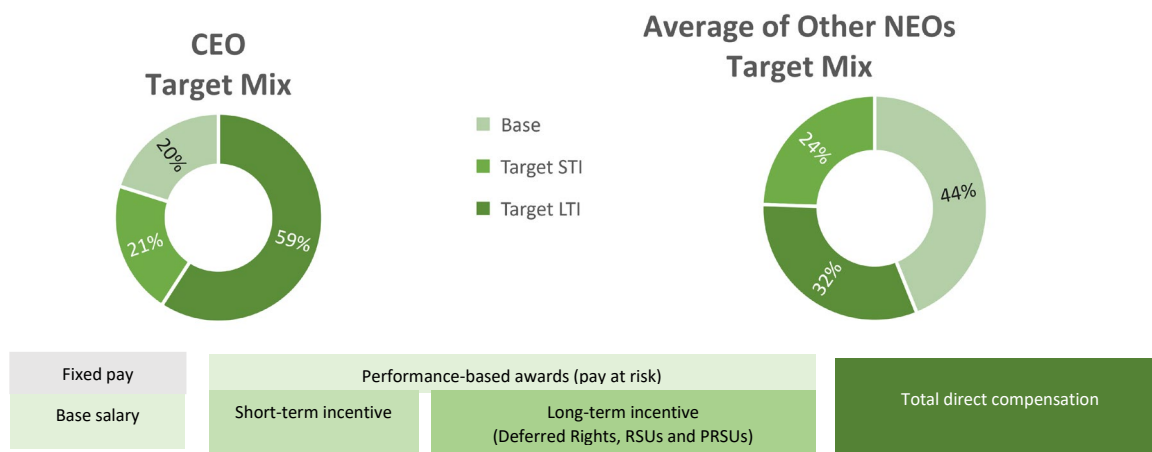
Total direct compensation includes base salary and short- and long-term incentive awards.

Target Pay Mix

A target compensation mix is set for each executive. The mix is based on level and role and the individual’s relative ability to influence Northland’s business results and competitive practices.

2020 Compensation Components

Total direct compensation includes base salary and performance-based incentive awards. The graphs below outline the target compensation mix for the CEO and group executive and the proportion of pay at risk.



The following table describes each compensation component in more detail:

Component	Objective	What It Rewards
Base salary	<ul style="list-style-type: none"> Provides a competitive base level of fixed compensation based on responsibilities, scope and market data 	<ul style="list-style-type: none"> Experience, expertise, knowledge and scope of responsibilities
Short-term incentive	<ul style="list-style-type: none"> Provides compensation that is based on achieving annual performance targets that support Northland's overall strategic direction 	<ul style="list-style-type: none"> Achievement of annual corporate objectives and individual performance goals
Long-term incentive	<ul style="list-style-type: none"> Provides equity-based compensation for sustaining mid- to long-term performance and aligns the interests of executives and shareholders Provides longer term retention vehicle for executives 	<ul style="list-style-type: none"> Achievement of mid- to long-term corporate performance targets

Base Salary

Base salaries provide annual earnings that are reasonably competitive to support the attraction and retention of key executives and to reflect the knowledge, expertise and responsibilities of the role when compared to market, individual performance and internal equity.

Short-Term Incentive Plan ("STIP")

The STIP is designed to provide a competitive annual incentive based on corporate and individual performance while reinforcing Northland's focus on strong leadership. The plan focuses on the achievement of corporate results and incents participants to meet or exceed individual business-specific objectives.

STIP awards for NEOs provide focus on the achievement of these corporate results and payout amounts are based on performance set at threshold, target and maximum levels.

The specific performance measures, including weightings for each measure and performance payouts, are described in the following table. A range of performance weightings are provided. The individual weighting across the scorecard vary by NEO based on their ability to affect results.

Performance measures and weightings (2020 plan)

Performance Measure	Weighting (Range; As a % of NEO's STIP Overall Target)	Performance Payout (as a % of NEO's STIP Target per Performance Measure)
Corporate measures		Threshold, target and stretch value for each metric
Operating Financial Management (OFM) ¹		
Adjusted EBITDA	4% – 25%	Threshold: 0%, Target: 100%, Maximum: 150% for both measures
Free Cash Flow (FCF) per share	4% – 23%	
Winning Business (WB)		
Growing Pipeline	13% – 40%	Threshold: 0%, Target: 100%, Maximum: 200% as a combined measure
Executing on Project Financings		
Advancing Existing Growth Projects & Securing Revenue Contracts		
Building Facilities (BF)		
Execute on disclosed projects under construction, on time and on budget	8% – 42%	Threshold: 0%, Target: 100%, Maximum: 150%
Relative Peer Performance (RTSR)		
Total shareholder return	8% – 16%	Threshold: 0%, Target: 100%, Maximum: 150%
Individual measure	15% – 23%	Discretion with performance payout range: Threshold: 0%, Target: 100%, Maximum: 150%

1. Adjusted EBITDA and FCF per share are non-GAAP measures.

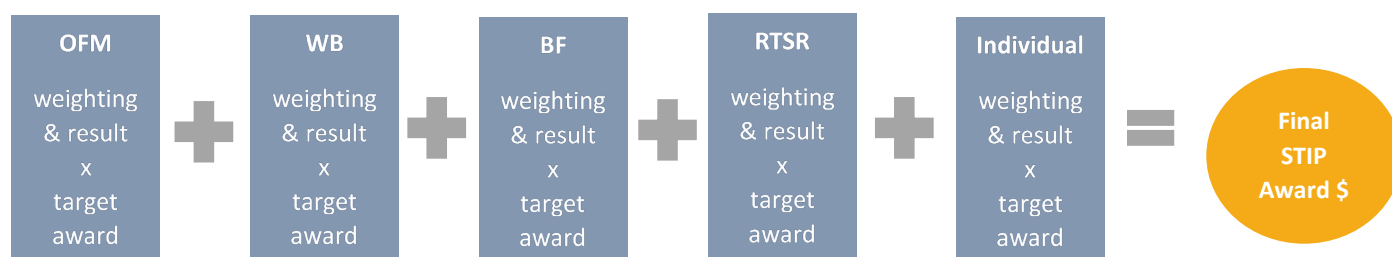
- Adjusted EBITDA is calculated as Northland's share of net income (loss) adjusted for the provision for (recovery of) income taxes; depreciation of property, plant and equipment; amortization of contracts and other intangible assets; net finance costs; interest income

from Gemini; fair value (gain) loss on derivative contracts; unrealized foreign exchange (gain) loss; (gain) loss on sale of development assets; equity accounting; cost attributable to an asset or business acquisition and other adjustments as appropriate, such as management and incentive fees earned by Northland from non-wholly owned assets. For clarity, Northland's Adjusted EBITDA reflects a reduction for its share of general and administrative costs during development and construction that do not qualify for capitalization.

- Free Cash Flow is calculated as Northland's share of cash provided by operating activities adjusted for short-term changes in operating working capital; non-expansionary capital expenditures; interest incurred on outstanding debt; scheduled principal repayments and up financings; major maintenance and debt reserves; interest income from Northland's subordinated loan to Gemini; proceeds from government grants; preferred share dividends; net proceeds from sale of development assets; and other adjustments as appropriate, including, but not limited to, lease payments. Free Cash Flow excludes pre-completion revenue required to service debt and related operating costs for projects under construction and excludes costs attributable to an asset or business acquisition. For clarity, Northland's Free Cash Flow reflects a reduction for expenditures on development activities until an advanced project qualifies for capitalization under IFRS. Free cash flow for EBSA includes proceeds from ongoing planned debt upsizing in expansionary capital expenditures. Where Northland controls the distribution policy of its investments, Free Cash Flow reflects Northland's share of the investment's underlying Free Cash Flow, otherwise, Northland includes the cash distributions received from the investment. Free Cash Flow from foreign operations is translated to Canadian dollars at the exchange rate Northland realizes on cash distributions.

Payout formula

The target incentive opportunity (target award) for each measure is a percentage of base salary. Performance is assessed against each measure and its weighting (base x weighting x target incentive x performance payout). Results against each of the five performance measures are added together to determine the final STIP award:



Annual Targets for NEO

The annual bonus targets as a percentage of annual salary for the Named Executive Officers are:

NEO	Target
Mike Crawley	100%
Paul Bradley ¹	50%
Pauline Alimchandani	65%
Wendy Franks	65%
Troy Patton ²	60%
Morten Melin	60%
David Povall	60%

1. Mr. Bradley served as Chief Financial Officer up to April 13, 2020.
 2. Mr. Patton served as Chief Operations Officer until February 18, 2021

Deferred Share Units (DSUs)

Executive officers may elect to receive all, or any portion of their annual incentive pay in the form of DSUs. DSUs count towards share ownership on a pre-tax basis, however, cannot be redeemed until the participant is no longer employed by Northland, and are not taxed until such redemption.

Long-Term Incentives (LTI)

Northland's LTIs are linked to performance and comprised of a mix of at-risk pay programs that are aligned to value creation over the long-term. Objectives of Northland's LTIs include:

- Providing focus for key executives on the achievement of sustained shareholder value
- Aligning the interests of Northland's executives with those of shareholders
- Attracting and retaining highly qualified talent with the requisite skills, industry knowledge and experience to achieve Northland's strategic objectives
- Rewarding long-term performance and leadership
- Providing market competitive compensation
- Supporting attainment of share ownership guidelines

LTIs are comprised of the following two plans:

1. Long-term Incentive Plan (LTIP) – Deferred Rights are granted under the LTIP to align the executives with value creation on-hire as well as on new project development or acquisitions (project-based).
2. RSU Plan - RSUs and PRSUs align the executives' interests with overall total shareholder returns. RSUs and PRSUs are discretionary and are granted annually in the context of total compensation relative to performance and market competitiveness.

The LTIP provides that up to 3,100,000 Common Shares may be issuable under the LTIP. The maximum number of 3,100,000 Common Shares potentially issuable to insiders or any individual person under the LTIP (and any other security-based compensation arrangements of the Corporation) represents 1.53% of the total number of outstanding Common Shares as of the Record Date. Subject to the foregoing limits, the Human Resources and Compensation Committee will have the discretion to impose limitations on grants to any particular individual in any given year and on aggregate grants to insiders in any given year

LTI Summary

Below is a summary of the LTI vehicles provided to the named executive officers.

	Long-Term Incentive Plan (Deferred Rights)		Restricted Share Unit Plan	
	<i>LTIP Project-Based¹</i>	<i>LTIP On-Hire</i>	<i>RSU</i>	<i>PRSU</i>
Types of Awards	Award to support the successful completion of qualifying projects aligned to specific milestones	Award to support immediate long-term equity ownership	Notional share-based awards to support long-term equity ownership ²	Similar to RSUs, but also subject to performance-based vesting
Eligibility	Mr. Mike Crawley, Mr. Paul Bradley, Mr. David Povall and Mr. Morten Melin Eligibility based on NEOs with direct line of sight to Northland's project origination, development and construction activities. Awards based on specific milestones achieved	Ms. Pauline Alimchandani and Ms. Wendy Franks Recognizes the on-hire grant for new NEOs. Mr. Troy Patton also received this award when he was appointed in 2017.	All NEOs ³ Intended to support long-term retention and the achievement of share ownership guidelines	Mr. Mike Crawley, Ms. Pauline Alimchandani, Ms. Wendy Franks and Mr. Troy Patton ⁶ Intended to provide strategic focus on overall corporate performance and align to shareholder interests
Vesting	Vesting is subject to the discretion of the Human Resources and Compensation Committee and Board ⁴	One-third per year (over 3-years)	3-year cliff	3-year cliff

Performance Basis	Dependent on satisfactory performance based on the achievement of pre-determined criteria	n/a	n/a	Performance vesting (from 0% to 200% of units granted) is based on pre-determined goals
Human Resources and Compensation Committee / Board Discretion	Acceptance of Development Profit determination	Awarded on a discretionary basis depending on specific circumstances	Awarded on a discretionary basis with consideration of market competitiveness and individual performance	Consideration of performance achievements and vesting at end of period
Market Value	5-day weighted volume average trading price of Common Shares	5-day weighted volume average trading price of Common Shares	5-day weighted volume average trading price of Common Shares	5-day weighted volume average trading price of Common Shares
Settlement	Share / Cash Settled ⁵	Share / Cash Settled	Cash settled	Cash Settled

1. The number of Deferred Rights that vest and the realized value is based on the specific and actual Development Profit attributable to each project once actual project costs and performance are known. This vesting provides a holdback until satisfactory performance is determined.
2. RSUs track the price of the Common Shares and receive dividend equivalents in the form of additional units based on the dividends declared on the Common Shares less the discount, if any applied in respect of Northland's DRIP.
3. Ms. Pauline Alimchandani and Ms. Wendy Franks did not receive RSU and PRSU grants in 2020 since they received one-time on-hire deferred rights grants. Going-forward, they will be eligible for RSU and PRSU grants.
4. Human Resources and Compensation Committee has the discretion to grant additional Deferred Rights to participants to reflect cash dividends paid by Northland on its Common Shares.
5. Where project-based awards are settled as shares, the total number of Common Shares available for distribution for the specific project is generally based on the price of Common Shares, as at the date the power purchase agreement is signed and the profit determined at settlement.
6. Mr. Troy Patton was also eligible for PRSUs while he served as Chief Operating Officer up to February 18, 2021.

Growth Incentive

Mr. Crawley is eligible for a separate growth incentive award that is based on specific strategic objectives that are designed to transform the company over the long-term, and beyond the three years captured within the existing LTIs. This incentive is based on pre-determined objectives that are reviewed at the end of each year by the Board. In 2020, Mr. Crawley had several significant strategic achievements, including: success of the regional development offices; addition of new projects into the development pipeline; purchase of EBSA; internal growth in management expertise and experience; oversight of a healthy corporate culture; and successful shareholder engagement. Based on the Board's assessment of Mr. Crawley, a \$750,000 award was made in the form of RSUs which vest over a period of three years.

LTIP Plan (Deferred Rights)

Project-Based Awards

At the discretion of the Committee, Northland provides for project-based deferred rights awards to NEOs as well as other eligible employees and consultants. The purpose is to reward the creation of long-term shareholder value from projects by assessing development profits created through development, acquisition, financing, construction and operation of facilities necessary to support future development activities and annual dividends. Development profits are based on the net present value of projected cash flows (including capital costs and certain non-recoverable development / acquisition costs).

On-Hire Awards

Consistent with market practice, on-hire long term incentive awards in the form of Deferred Rights or RSUs are granted to NEOs at the discretion of the Committee to support long-term equity ownership and to effectively attract and retain key executive officers, and to offset foregone incentive awards from previous employers.

RSU Plan - RSUs and PRSUs

The RSU Plan was established to promote a greater alignment with shareholder interests and creation of sustainable shareholder value, and facilitate recruitment, motivation and retention of executives and key talent. Awards under the RSU plan includes RSUs which vest based on time and performance based RSUs (PRSUs) which vest based on time and performance.

PRSUs are administered as part of the RSU Plan to promote the long-term ownership of equity by Northland's executive officers and to meet specific performance expectations over a 3-year period. Performance measures are aligned with Northland's strategic objectives.

Performance measures and payout ranges are established at the time the award is granted, and the 2020 award details are described in the table below.

Performance Measure	Performance Payout (as a % of PRSU grant value) ¹
3-year relative Total Shareholder Return (TSR)	<ul style="list-style-type: none"> Below Threshold – 0%
3-year average Free Cash Flow (FCF) / Share	<ul style="list-style-type: none"> Threshold – 50% Target – 100%
Long-term strategic objectives	<ul style="list-style-type: none"> Maximum – 200%

1. Each performance measure is independently assessed. Performance payout levels are interpolated between levels.

All measures are weighted equally to determine the final performance payout at the end of the 3-year performance cycle. Payout factors are calculated independently across each of the three performance measures and have a performance payout range (as a % PRSU grant value) at threshold (minimum), target and stretch (maximum) levels. The overall payout factor is calculated as a weighted average across each of the three performance measures.

Relative TSR

Relative TSR is measured over a 3-year period relative to an established performance peer group of six companies, including Algonquin Power & Utilities, Boralex Inc., Brookfield Renewable Partners L.P., Capital Power Corp., Innergex Renewable Energy Inc., and TransAlta Corporation.

If Northland has a negative TSR through the period, the performance payout will be capped at a maximum of 100% with the Committee's discretion to adjust down to 0%.

Performance Range	Northland Relative TSR Ranking	Performance Payout (as a % of PRSU grant value)
Below Threshold	< 30 th percentile	0%
Threshold	30 th percentile	50%
Target	50 th percentile	100%
Maximum	100 th percentile	200%

Free Cash Flow (FCF) / Share

FCF/Share is measured over three discrete annual periods and averaged over the three years. Target FCF/Share is based on the budget and long-term outlook set at the time of grant. Actual FCF/Share at the end of the performance period is subject to adjustments at the discretion of the Committee.

2020 Compensation Decisions

The Board, on the Committee's recommendation and based on management's executive compensation review, approved the following decisions on executive compensation for performance in 2020.

Base Salary Decisions for 2020

Base Salary	2018 Salary	2019 Salary	% Increase	2020 Salary	% Increase
Mike Crawley	\$500,000	\$500,000	0.00%	\$525,000	5.00%
Paul Bradley ¹	\$409,500	\$419,738	2.50%	\$419,738	0.00%
Pauline Alimchandani ²	—	—	—	\$475,000	—
Wendy Franks ³	—	—	—	\$410,000	—
Morten Melin ⁴	\$401,886	\$427,538	5.00% ⁵	\$451,568	2.50% ⁶
David Povall	—	\$400,000	—	\$410,000	2.50%

1. Mr. Bradley served as Chief Financial Officer up to April 13, 2020.

2. Ms. Alimchandani was appointed Chief Financial Officer effective April 13, 2020.
 3. Ms. Franks was appointed Executive Vice President, Strategy & Investment Management effective June 29, 2020.
 4. Mr. Melin's compensation amounts were paid in Euros and have been converted to Canadian dollars using a 2020 average exchange rate of Euro 1.00 = C\$ 1.5299, a 2019 average exchange rate Euro 1.00 = C\$ 1.4847, and a 2018 average exchange rate Euro 1.00 = C\$ 1.4654.
 5. Mr. Melin's salary increase from 2018 to 2019 was 5.00% based on his salary as paid in Euro (i.e. his 2018 salary was €274,250 and increased to €287,963 in 2019).
 6. Mr. Melin's salary increase from 2019 to 2020 was 2.50% based on his salary as paid in Euro (i.e. his 2019 salary was €287,963 and increased to €295,162 in 2020).
- Note: Mr. Patton served as Chief Operations Officer until February 18, 2021. His 2018 salary was \$403,650, 2019 salary was \$413,741 and 2020 salary was \$424,084.

Short-Term Incentive Decisions for 2020

Corporate Performance Scorecard

Performance Measure	Weighting (Range; As a % of NEO's STIP Overall Target)	2020 Performance Result	Performance Assessment
Corporate measures			
Operating Financial Management (OFM)			
Adjusted EBITDA	4% – 25%	106%	\$1.170 B vs. guidance target of \$1.1 – \$1.2 B \$1.73 / share vs original guidance target of \$1.70 / share to \$2.05 / share
Free Cash Flow (FCF) per share	4% – 23%	58%	
Winning Business (WB)			
Growing Pipeline			Advanced pipeline and achieved growth objectives
Executing on Project Financings	13% – 40%	125%	
Advancing Existing Growth Projects & Securing Revenue Contracts			
Building Facilities (BF)			
Execute on disclosed projects under construction, on time and on budget	8% – 42%	70%	Deutsche Bucht's main project was on target and La Lucha behind target
Relative Peer Performance (RTSR)			
Total shareholder return	8% – 16%	150%	Northland TSR of 74% compared to 43% for peer group
Individual measure	15% – 23%	Average of 116%	Based on Human Resources and Compensation Committee's discretion

STIP Decisions Summary

The Committee evaluated overall results for 2020 and determined the appropriate bonuses for the NEOs. For 2020, the following bonuses were awarded as a percentage of annual salary:

NEO	Base Salary (\$)	Target Incentive	2020 Actual Bonus (as a % of Base Salary)	2020 STIP Award (\$)
Mike Crawley	\$525,000	100%	109%	\$572,250
Paul Bradley ¹	\$419,738	50%	—	—
Pauline Alimchandani ²	\$475,000	65%	69.60%	\$330,600
Wendy Franks ³	\$410,000	65%	72.80%	\$149,240
Troy Patton ⁵	\$424,084	60%	63.89%	\$270,930
Morten Melin ⁴	\$451,568	60%	58.80%	\$265,522
David Povall	\$410,000	60%	54.00%	\$221,400

1. Mr. Bradley retired effective April 13, 2020 and was not entitled to any bonus in 2020.
2. Ms. Alimchandani joined April 13, 2020. As per her employment agreement, her short-term incentive was not pro-rated.
3. Ms. Franks joined June 29, 2020. As per her employment agreement, her short-term incentive was prorated based on her commencement date.
4. Mr. Melin's compensation amounts were paid in Euros and have been converted to Canadian dollars using a 2020 average exchange rate of Euro 1.00 = C\$ 1.5299, a 2019 average exchange rate Euro 1.00 = C\$ 1.4847, and a 2018 average exchange rate Euro 1.00 = C\$ 1.4654.
5. Mr. Patton served as Chief Operations Officer until February 18, 2021.

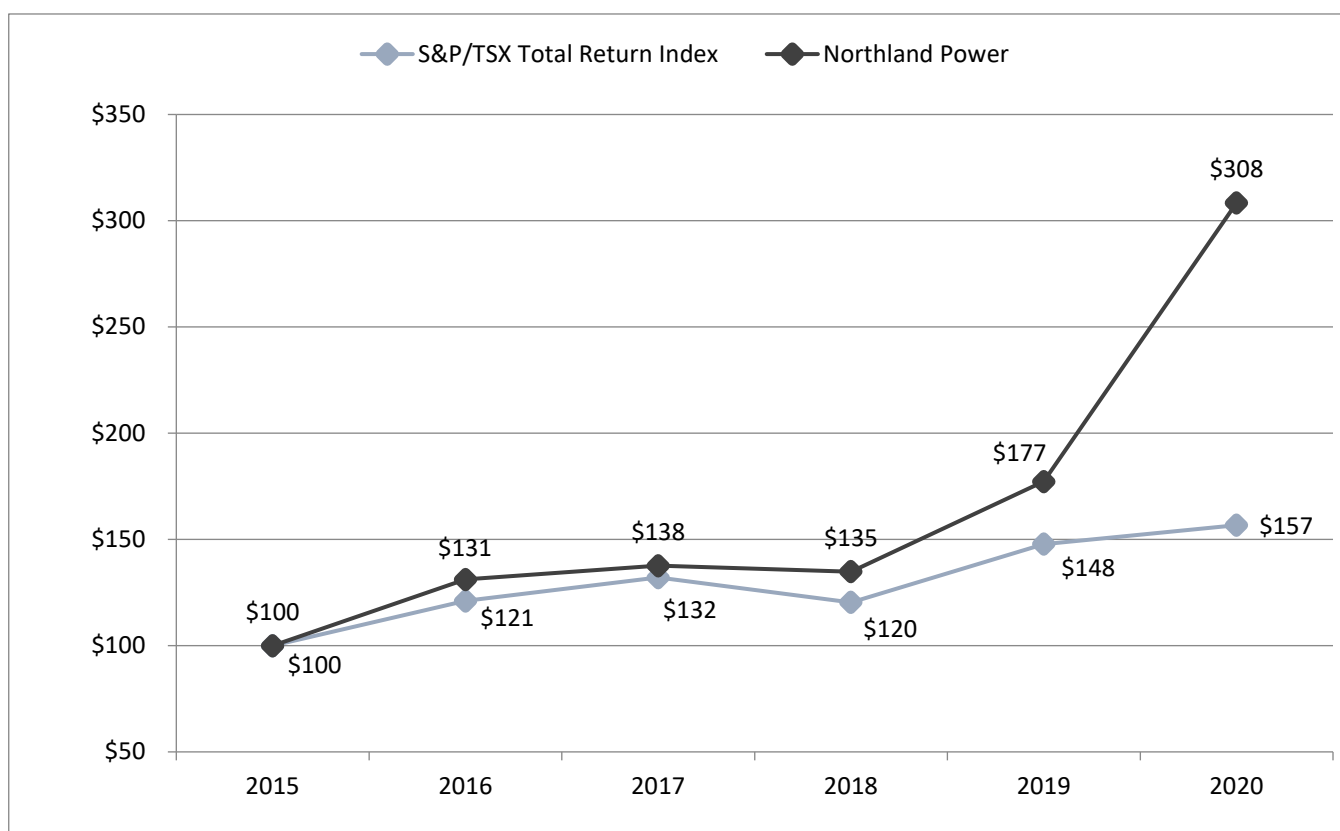
Long-Term Incentive Decisions for 2020

NEO	Deferred Rights				RSUs				Total Grant Value (\$)
	Project-Based		On-Hire		RSUs		PRsUs		
	Units	Value (\$)	Units	Value (\$)	Units	Value (\$)	Units	Value (\$)	
Mike Crawley ¹	2,803.1	\$104,017	—	—	15,533	\$500,000	23,299	\$750,000	\$1,354,017
Paul Bradley ¹	1,842.44	\$68,354	—	—	—	—	—	—	\$68,354
Pauline Alimchandani	—	—	45,000	\$1,373,400	—	—	—	—	\$1,373,400
Wendy Franks	—	—	48,000	\$1,464,960	—	—	—	—	\$1,464,960
Troy Patton	—	—	—	—	6,989.50	\$225,000	6,989.50	\$225,000	\$450,000
Morten Melin ^{1,2}	801.06	\$29,719	—	—	11,820	\$380,500	—	—	\$410,219
David Povall	—	—	—	—	12,426	\$400,000	—	—	\$400,000

- Mr. Crawley, Mr. Bradley, and Mr. Melin were granted a project-based deferred rights award based on Deutsche Bucht and was measured on the commercial operations date. This award vests and settles in cash as of the approved grant date. Mr. Crawley's PRSUs grant reflected his growth incentive and is a RSU grant which vests over a period of three years.
- Mr. Melin's long-term incentive amounts were paid in Euros and have been converted to Canadian dollars using a 2020 average exchange rate of Euro 1.00 = C\$ 1.5299, a 2019 average exchange rate Euro 1.00 = C\$ 1.4847, and a 2018 average exchange rate Euro 1.00 = C\$ 1.4654.

Share Performance

The following graph compares the cumulative total return over the five years ended December 31, 2020 of the Common Shares against the cumulative total return of the S&P/TSX Total Return Index (assuming a \$100 investment was made on December 31, 2015 and the reinvestment of any dividends).



The Committee ensures that the positive performance of Northland as compared to the S&P/TSX Total Return Index is considered in the executive compensation decision-making process. With approximately 75-80% of total direct compensation delivered via performance-based programs, compensation for executives is directly impacted by the company's financial and operational performance and the company's share returns. The executive compensation programs are also designed to align with the interests of shareholders by supporting the

achievement of sustained value creation with 32-59% of total direct compensation provided in long-term incentives with measures aligned to successful project development and the company's absolute and relative share returns.

The total return for Northland shares has exceeded the S&P/TSX consistently since 2015. Since 2018 Northland share returns have increased 128%. The increases in executive compensation during the same period has been less than the share price appreciation. During this same time period, total compensation, as defined and calculated on the Summary Compensation Table, for the CEO increased by 32%, and for the other NEOs who were employed within the same period of 2018 to 2020 (Mr. Melin and Mr. Patton) increased on an aggregate basis by 29%. Due to significant changes in the NEOs from 2015 to date, looking at the trend from 2018 when the current CEO was hired to 2020 is most relevant.

NEO Compensation Cost as % of EBITDA

	2020	2019	2018
Adjusted EBITDA (\$Ms)	\$1,170	\$985	\$891
Aggregate NEO compensation as reported in the summary compensation table (\$000s)	\$8,688	\$7,541	\$6,289
Cost of NEO compensation as % of Adjusted EBITDA	0.74%	0.77%	0.71%

1. For purposes of year over year comparability, Mr. Paul Bradley and Mr. David Povall were excluded from the aggregate NEO compensation amount reported for 2020.

Summary Compensation Table

The following table sets forth the annual, long-term and other compensation for each of Northland's Named Executive Officers for the past three years.

NEO	Year	Salary	Share-based Awards ¹	Option Based Awards	Non-equity Incentive Compensation		Pension Value	All Other Compensation ²	Total Compensation
					Annual Incentive Plans	LTI Plans			
Mike Crawley ³ President and Chief Executive Officer	2020	\$544,052	\$1,354,017	—	\$572,250	—	—	\$15,134	\$2,485,453
	2019	\$500,011	\$1,195,431 ⁴	—	\$435,010	—	—	\$13,381	\$2,143,833
	2018	\$441,972	\$1,083,425	—	\$339,876	—	—	\$13,334	\$1,878,607
Paul Bradley ⁵ Chief Financial Officer	2020	\$310,996	\$68,354	—	—	—	—	\$675,349 ¹⁰	\$1,054,699
	2019	\$419,311	\$993,926 ⁴	—	\$252,845 ¹⁰	—	—	\$678,448 ¹⁰	\$2,344,530
	2018	\$408,905	\$1,312,826	—	\$226,617	—	—	\$3,300	\$1,951,648
Pauline Alimchandani ⁶ Chief Financial Officer	2020	\$337,988	\$1,373,400	—	\$330,600	—	—	\$14,303	\$2,056,290
	2019	—	—	—	—	—	—	—	—
	2018	—	—	—	—	—	—	—	—
Wendy Franks ⁷ Executive Vice President, Strategy & Investment	2020	\$205,005	\$1,464,960	—	\$149,240	—	—	\$10,440	\$1,829,645
	2019	—	—	—	—	—	—	—	—
	2018	—	—	—	—	—	—	—	—
Troy Patton ⁸ Chief Operations Officer	2020	\$439,925	\$450,000	—	\$270,930	—	—	\$3,543	\$1,164,398
	2019	\$413,327	\$400,000 ¹¹	—	\$188,064	—	—	\$5,585	\$1,006,976
	2018	\$403,140	\$400,000 ¹¹	—	\$215,549	—	—	\$12,250	\$1,030,939
Morten Melin ⁹ Executive Vice President, Construction	2020	\$451,568	\$410,219	—	\$265,522	—	—	\$23,226	\$1,150,535
	2019	\$440,468	\$130,931	—	\$210,103	—	—	\$17,433	\$798,935
	2018	\$419,531	\$100,000	—	\$223,842	—	—	\$17,433	\$760,806

David Povall Executive Vice President, Development	2020	\$425,317	\$400,000	—	\$221,400	—	—	\$45,191	\$1,091,908
	2019	\$66,155	\$1,168,440 ¹²	—	\$8,402	—	—	\$3,641	\$1,246,638
	2018	—	—	—	—	—	—	—	—

1. Includes Deferred Rights that vest based on the Development Profits from new projects developed or acquisitions completed. Common Shares or cash payments may be awarded at vesting milestones. Award value is determined based on the price of the Common Shares, such as at the date the power purchase agreement for the project is signed, and the Development Profit is determined for the project or acquisition. Amounts included above reflect awards granted and settled during the year.
2. Includes parking, transportation, spousal travel, RRSP contributions, medical and life insurance premiums, service recognition gifts, legal fees.
3. Mr. Crawley was Executive Vice President, Development until August 2018, at which time he was appointed President and Chief Executive Officer.
4. Includes RSUs granted during 2020, that will be paid in cash on the three-year anniversary of the grant date based on Northland's share price on the vesting dates. The number of RSUs granted were based on the five-day volume weighted-average trading price of the Common Shares preceding the grant date of \$48.92.
5. Mr. Bradley served as Chief Financial Officer up to April 13, 2020. Pursuant to Mr. Bradley's February 2020 amendment to his amending agreement (originally executed in April 2019), his per diem rate between December 31, 2019 and his retirement date was \$2,985.37. From his retirement date onwards, Mr. Bradley was entitled to receive a per diem of \$1,500 per day.
6. Ms. Alimchandani was appointed Chief Financial Officer effective April 13, 2020.
7. Ms. Franks was appointed Executive Vice President, Strategy & Investment Management June 29, 2020.
8. Mr. Patton joined Northland in September 18, 2017, and served as Chief Operations Officer until February 18, 2021.
9. Mr. Melin joined Northland in August 1, 2017. Mr. Melin's compensation amounts were paid in Euros and have been converted to Canadian dollars using the year to date average as of December 31, 2020, using an exchange rate of Euro 1.00 = C\$ 1.5299, a 2019 average exchange rate Euro 1.00 = C\$ 1.4847, and a 2018 average exchange rate Euro 1.00 = C\$ 1.4654.
10. Pursuant to Mr. Bradley's amended employment agreement ("Amending Agreement") that was executed in April 2019, Mr. Bradley was entitled to receive two lump sum payments of \$675,000; the first was paid 14 days after the agreement was executed and the second is payable within 14 days following his retirement. His 2020 payment is the second \$675,000 payment made subsequent to his retirement. All Other Compensation has been restated for Mr. Bradley in respect of 2019 amounts from \$3,448 to \$678,448 to reflect the first lump sum payment that was made to him 14 days after the Amending Agreement was executed. In addition, Mr. Bradley's 2019 amount in respect of annual incentive plans has been restated from \$927,845 to \$252,845 since his 2019 amount for All Other Compensation now includes the first \$675,000 lump sum payment.
11. Mr. Patton was granted \$1,024,000 as an on-hire Deferred Rights award in 2017. As a result, Mr. Patton's 2018 and 2019 share-based awards have been restated to reflect this one-time hire award as at the date of grant, i.e., from \$735,817 to \$400,000, and from \$776,529 to \$400,000, respectively. As a result, his Total Compensation amounts for 2018 and 2019 have also been restated from \$1,366,756 to \$1,030,939, and from \$1,383,505 to \$1,006,976, respectively.
12. Mr. Povall received an initial on-hire grant of \$1,168,440 in Deferred Rights in 2019. This has been restated for 2019 and as a result, his Total Compensation amount for 2019 has also been restated from \$78,198 to \$1,246,638.

Outstanding Share-Based Awards

The following table shows for each Named Executive Officer all share-based awards outstanding as at December 31, 2020.

NEO	Number of shares or Units of Shares that have not vested	Market or Payout Value of Share- based Awards that have not Vested	Market or Payout Value of Vested Share-based Award not Paid out or Distributed
	Deferred Rights ¹ and / or RSUs ²		
Mike Crawley	86,045	\$3,790,625	\$199,852 ³
Paul Bradley	36,922	\$1,654,930	—
Pauline Alimchandani	45,992	\$2,034,711	—
Wendy Franks	49,059	\$2,149,677	—
Troy Patton	51,315	\$2,276,758	—
Morten Melin	21,401	\$939,547	—
David Povall	41,920	\$1,838,349	—

1. Deferred Rights awarded as one-time grants that include the dividend equivalent in the form of additional units based on the dividends declared on the Common Shares less the discount applied in respect of Northland's DRIP and vest over three years subject to active employment on the vesting date.
2. RSUs include the dividend equivalent in the form of additional units based on the dividends declared on the Common Shares less the discount applied, if any, in respect of Northland's DRIP and cliff vest on the third anniversary subject to active employment on the vesting dates, if any.
3. These amounts reflect vested DSUs that have not been paid out.

Incentive plan awards – value vested or earned during the year

The following table shows for each Named Executive Officer the aggregate dollar value realized upon vesting of share-based awards and the non-equity incentive compensation earned during the year ended December 31, 2020.

NEO	Share-based Awards - Value Vested during the Year	Non-equity Incentive Compensation Plan Award - Value Earned during the Year
Mike Crawley	\$1,003,064	\$572,250
Paul Bradley	\$607,696	\$0
Pauline Alimchandani	\$0	\$330,600
Wendy Franks	\$0	\$149,240
Troy Patton	\$607,729	\$270,930
Morten Melin	\$0	\$265,522
David Povall	\$626,833	\$221,400

Retirement Benefits

Northland does not have defined benefit or defined contribution pension plans for the Named Executive Officers.

Aggregate Dilutive Impact of Equity-based Compensation Arrangements

The following table shows the aggregate dilutive impact of Northland's equity-based compensation arrangements.

The burn rate is calculated by dividing the number of Deferred Rights granted under the LTIP during the relevant fiscal year by the weighted average number of Northland securities outstanding for the applicable fiscal year.

Year ended	December 31, 2020	December 31, 2019	December 31, 2018
Weighted average number of outstanding Common Shares for the fiscal year	198,774,000	180,322,200	176,757,190
Annual burn rate	0.05%	0.02%	0.02%

Termination and Change in Control Provisions

We have employment agreements with each Named Executive Officer.

The tables below define the compensation upon termination / change in control and shows the estimated incremental amounts that would be paid if the Named Executive Officer had been terminated on December 31, 2020, under various termination scenarios. No incremental amounts are triggered by the other termination scenarios.

Compensation element	Resignation	Retirement	Termination without Cause	Termination without Cause / Resignation following Change in Control ⁶	Termination with Cause
Severance	None	None	CEO: 2 years of base salary + bonus (based on average bonus received in previous 3 years prior to termination) Other NEOs: 12 months of base salary + bonus ¹	<i>Within 1 year of change in control, and upon termination without cause or resignation for good reason:</i> CEO: Same as Termination without Cause Other NEOs: 18 months of base salary + bonus ¹	None
Base Salary	Ends on resignation	Ends on retirement	Ends on termination	Ends on termination	Ends on termination
STIP	Award forfeited	Award prorated	Award prorated	Award prorated	Award forfeited
Deferred Rights	Unvested awards forfeited	Unvested awards forfeited	Unvested awards forfeited ^{2,3} + prorated Deferred Rights ⁴	Unvested awards vest immediately within 12 months of a change in control	Award forfeited
RSUs	Unvested awards forfeited	Continued vesting subject to entering a non-competition and non-solicitation agreement	Unvested awards forfeited ²	Unvested awards vest immediately within 12 months of a change in control	Award forfeited
PRSUs	Unvested awards forfeited	Unvested awards forfeited	Unvested awards forfeited ²	Unvested awards vest immediately within 12 months of a change in control	Award forfeited
Health and Dental	Ends on termination	Ends on termination	CEO: Earlier of (a) alternative employment, or (b) conclusion of 6-month period ⁵ Other NEOs: Earlier of (a) alternative employment, or (b) conclusion of 6 to 12-month period ⁵ <i>Subject to carrier's coverage</i>	CEO: Earlier of (a) alternative employment, or (b) conclusion of 1-year period ⁵ Other NEOs: Earlier of (a) alternative employment, or (b) conclusion of 12-month period ⁵	Ends on termination

- Bonus in the event of a termination without cause varies by NEO based on each of their employment contracts. Mr. Troy Patton's employment contract executed in August 2017, Ms. Pauline Alimchandani's employment contract executed in March 2020 and Ms. Wendy Franks' employment contract executed in May 2020, specify that after one year of employment but prior to the completion of two years, he/she is entitled to receive a pro-rated bonus for the year in which employment is terminated based on his/her first year of employment and bonus payment for the notice period that is equivalent to the first year of employment. In the event termination occurs after two years of employment, he/she is entitled to receive a bonus for the year of termination (pro-rated) plus a bonus based on the average of the bonus paid for two years prior to termination. The same will apply to change in control with respect to their bonus amounts.
- Subject to Human Resources and Compensation Committee discretion to determine any vested entitlements.
- As part of Ms. Pauline Alimchandani and Ms. Wendy Franks employment contracts, in the event of a termination without cause, any unvested amounts relating to their initial on-hire deferred rights grant of 15,000 and 14,000 units, respectively, will vest on their last day of active employment if it is before the scheduled vesting date. As part of Mr. Patton's employment contract, in the event of a termination without cause, he would receive a portion of his initial on-hire deferred rights grant that would have vested on the next vesting date pro-rated based on the portion of the "vesting year" in which he was actively employed.
- Prorated Deferred Rights includes the equivalent of accumulated dividends and includes awards that would have vested on the next vesting date after the termination of employment.
- Disability and life insurance benefits continue for the duration of the statutory notice period. All other benefits and perquisites end on termination of employment.
- For purposes of LTIP and in the event of a termination of employment without cause or resignation for good reason within twelve (12) months of a change of control, of Northland in the case of Deferred Rights and of the Temerty Group in the case of the RSU Plan, unvested awards (including the equivalent of accumulated dividends in the case of RSUs) will vest immediately and be paid in cash to participants, including NEOs, based on the change in control share price.

Compensation element	Resignation (\$)	Termination without Cause (\$)	Termination without Cause / Resignation following a Double Trigger Change in Control (\$)	Termination with Cause (\$)
Mike Crawley ¹	—	\$4,020,779	\$5,748,145	—
Pauline Alimchandani	—	\$2,518,600	\$2,921,400	—
Wendy Franks	—	\$2,328,830	\$2,609,475	—
Morten Melin ²	—	\$901,623	\$2,071,470	—
David Povall	—	\$1,009,156	\$3,050,877	—

1. Mr. Crawley's outstanding RSU grants made in 2018, 2019, and 2020 continue to vest subject to a non-competition and non-solicitation agreement.
2. Mr. Melin's compensation amounts were paid in Euros and have been converted to Canadian dollars using the year to date as of December 31, 2020, using an exchange rate of Euro €1.5299 = C\$1.00.

Appendices - Securities Authorized for Issue Under Equity Compensation Plans

LTIP Deferred Rights Granted

The table below sets out the total number of Deferred Rights authorized for issuance pursuant to the LTIP as at December 31, 2020 and the percentage this represents of the outstanding Common Shares.

Plan Category	Deferred Rights Granted to be Issued Pursuant to the LTIP		Weighted Average Purchase Price of Deferred Rights (b)	Number of Common Shares Remaining Available for Future Issuance Under LTIP	
	Number (a)	% of Common Shares Outstanding		Number (excluding(a)) (c)	% of Common Shares Outstanding
Equity Compensation plans not approved by Shareholders	—	—	—	—	—
Equity Compensation plans approved by Shareholders	—	—	(1)	1,200,270	0.67%
Total	—	—	(1)	1,200,270	0.67%

1. There is no exercise or purchase price applicable in respect of Deferred Rights because on the settlement of vested Deferred Rights, Northland either issues Common Shares or pays to the holder a cash amount equal to the market value (determined based on the five-day weighted volume average trading price). There is no amount a recipient of Deferred Rights is required to pay to receive or otherwise exercise vested Deferred Rights.

Long-Term Incentive Plan

Pursuant to the LTIP, employees, officers and consultants are eligible for awards of contingent Deferred Rights, at the discretion of the Human Resources and Compensation Committee. Deferred Rights may be granted for services provided by the recipient in the year of grant and for prior or subsequent years of service. Awards of Deferred Rights may vest, as determined by the Committee, over a period of time contingent on the achievement of pre-established performance criteria for vesting including the share price performance over an extended period (period may run from securing a Power Purchase Agreement to achieving various project milestones and can extend over a period of several years) and the participant's continued employment. Deferred Rights may also be granted and vest simultaneously, provided that criteria for the achievement of development profits on projects developed or acquired by the Corporation have been met. The value of the Deferred Rights granted is also dependent on the total value that shareholders realize from these projects. Upon vesting, and at the discretion of the Board of Directors, each vested Deferred Right represents the right to receive one Common Share or a cash payment equal to the market value of one Common Share.

Performance criteria for vesting may include return to Common Shareholders, successful project development activities, development profits of a project, financial performance or results of the Corporation or a business unit, operations results, market price of the Common Shares, or other criteria as determined by the Committee from time to time. The conditions for vesting may relate to all or a portion of the Deferred Rights in a grant and may be graduated such that different percentages of the Deferred Rights will become vested depending on the extent of satisfaction of one or more such conditions.

Deferred Rights granted under the LTIP are evidenced by a grant agreement, specifying the number of Deferred Rights and, as applicable, any vesting terms, performance periods and expiration of such Deferred Rights. The grant agreements will also specify any other terms and conditions which the Committee may in its discretion determine.

The LTIP provides that up to 3,100,000 Common Shares will be issuable under the LTIP. The maximum number of 3,100,000 Common Shares potentially issuable to insiders or any individual person under the LTIP (and any other security-based compensation arrangements of the

Corporation) represents 1.53% of the total number of outstanding Common Shares as of the Record Date. Subject to the foregoing limits, the Committee will have the discretion to impose limitations on grants to any particular individual in any given year and on aggregate grants to insiders in any given year. Currently, 1,200,270 Common Shares remain issuable under the LTIP.

The LTIP provides that, in the event of the participant's termination of employment or service for reasons other than cause, all unvested Deferred Rights are forfeited, unless the Committee determines otherwise in its discretion, and all vested Deferred Rights will be settled as at the time of the participant's resignation, termination, retirement, death or permanent disability. The Committee will have the discretion to determine if, in the event of termination of employment or service for reasons other than cause, any or all of the participant's unvested Deferred Rights will not be forfeited and instead will become automatically vested or will vest pursuant to a vesting schedule determined by the Committee, or as the Committee may otherwise determine. In the event of termination for cause, all outstanding Deferred Rights will be forfeited.

The Committee will have the discretion to determine, on the occurrence of certain specified change of control events, if any or all unvested Deferred Rights will become immediately vested and, if applicable, if any unvested Deferred Rights will be converted into an acquiror's securities offered on terms substantially equivalent to those then applicable to such unvested Deferred Rights.

The LTIP provides that the Committee will have the discretion to grant additional Deferred Rights to participants to reflect cash dividends paid by the Corporation on its Common Shares. In the event of a subdivision or consolidation of Common Shares or the declaration of a dividend payable in Common Shares or other change to the Common Shares, the number of Deferred Rights will be adjusted to reflect such subdivision, consolidation, dividend or change.

Deferred Rights granted under the LTIP are not transferable or assignable, other than by operation of law.

The LTIP provides that the prior approval of Common Shareholders is required for any amendment to the LTIP that: (i) increases the maximum number of Common Shares issuable pursuant to the LTIP; (ii) extends the last date on which Common Shares may be issued to insiders under the LTIP; (iii) adds additional categories of participants to the LTIP; (iv) extends the term of Deferred Rights beyond their original expiry date; (v) permits Deferred Rights to be assignable or transferable (other than by operation of law); and (vi) amends the amending provisions.

The LTIP also provides that, on the settlement of vested Deferred Rights, the Corporation has the discretion to either issue Common Shares or pay the holder a cash amount equal to the market value (determined based on the 5-day weighted volume average trading price) and that vesting and settlement of the Deferred Rights pursuant to the LTIP must occur by no later than December 31 of the third calendar year following the year of service for which such Deferred Rights were granted.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Management Information Circular:

“\$” means Canadian dollars, unless otherwise specified.

“**2020 Annual Report**” means Northland’s annual report for the year ended December 31, 2020.

“**Annual Information Form**” or “**AIF**” means the annual information form of Northland dated February 22, 2021.

“**Articles**” means the articles of amalgamation of Northland, as currently in effect.

“**Beneficial Common Shareholders**” means persons who hold their Common Shares through their investment dealer, broker or other intermediary.

“**Board**” or “**Board of Directors**” means the board of directors of Northland.

“**Board Mandate**” means the written mandate of the Board of Directors.

“**Broadridge**” means Broadridge Investor Communications Solutions.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Code**” means the written Code of Business Conduct and Ethics of the Board of Directors.

“**Common Shareholders**” means the holders of the Common Shares of the Corporation.

“**Common Shares**” means the common shares in the capital of the Corporation.

“**Corporation**” or “**Northland**” means Northland Power Inc.

“**CSA Guidelines**” means National Policy 58-201 - *Corporate Governance Guidelines*.

“**Deferred Rights**” means the deferred rights issued under the LTIP.

“**Deutsche Bucht**” means the 252 MW offshore wind project located in German territorial waters.

“**Development Profit**” has the meaning given to it in the Articles.

“**Director**” means, at any time, an individual who is a director of the Corporation at such time.

“**Disclosure Rule**” means National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

“**DRIP**” means the Corporation’s dividend reinvestment plan.

“**DSU**” means a deferred share unit issued under the DSU Plan.

“**DSU Plan**” means the deferred share unit plan for directors of Northland, dated August 8, 2012, as most recently amended on November 6, 2018.

“**Form of Proxy**” means the form of proxy distributed by the Corporation in connection with the Meeting.

“**IFRS**” means the International Financial Reporting Standards.

“**Independent Director**” means a Director that meets the requirements for independence under applicable securities regulations and is a director who has no direct or indirect material relationship with the Corporation or the entities controlled by the Corporation, as applicable, other than interests and relationships arising from the holding of shares of the Corporation.

“**LTIP**” means the equity-settled share-based compensation program available to officers, consultants and employees when Northland projects achieve certain milestones.

“**Management Information Circular**” or “**Circular**” means this management information circular of the Corporation to be distributed to Voting Shareholders in respect of the Meeting.

“**Meeting**” means the annual and special meeting of shareholders of the Corporation to be held on May 19, 2021 and any adjournment(s) or postponement(s) thereof.

"MW" means megawatts.

"Named Executive Officers" or **"NEOs"** means the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers of the Corporation (or its Subsidiaries) as specified in Form 51-102F6 - *Statement of Executive Compensation*.

"Notice of Meeting" means the notice of the Meeting that accompanies this Management Information Circular.

"Order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

"RSU" means the restricted share units issued pursuant to the Northland Restricted Share Unit Plan.

"Series 1 Preferred Shares" means the cumulative rate reset preferred shares, series 1 of the Corporation.

"Series 2 Preferred Shares" means the cumulative rate reset preferred shares, series 2 of the Corporation.

"Series 3 Preferred Shares" means the cumulative rate reset preferred shares, series 3 of the Corporation.

"Subsidiary" has the meaning specified in Section 1.1 of National Instrument 45-106 - *Prospectus and Registration Exemptions*, as it exists on the date hereof.

"TSX" means the Toronto Stock Exchange.

"Voting Form" means a voting instruction form.

Words importing the singular include the plural and vice versa and words importing any gender include all genders.

SCHEDULE "A"

NORTHLAND POWER INC.

MANDATE FOR THE BOARD OF DIRECTORS

As provided in its articles, Northland Power Inc. (the "Corporation") shall have a board of directors (the "Board") consisting of a minimum of five and a maximum of nine directors.

DUTIES OF DIRECTORS

The Board is responsible for the stewardship of the affairs of the Corporation and all of the corporations, trusts, partnerships and other entities, which may be owned or controlled by the Corporation (the "Entities"). The Board seeks to discharge such responsibility by supervising the actions of the management of the Corporation and the Entities.

The Board discharges its responsibilities both directly and through its committees, the Audit Committee, the Governance and Nominating Committee and the Human Resources and Compensation Committee. In addition to these standing committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. The Board's primary role is to oversee the performance of management in order to meet the Corporation's strategic objectives to enhance and preserve the business of the Corporation and, in this regard, shall include oversight of the Corporation's succession planning process. Other principal duties include, but are not limited to, the following matters:

Board Organization

- The Board will respond to recommendations received from the Governance and Nominating Committee, but retains responsibility for managing its own affairs, the selection of the Chair of the Board, candidates nominated for election to the Board, committee and committee chair appointments, and committee charters and Board policies.
- The Board may delegate to Board committees matters for which it is responsible, including but not limited to recommendations related to director compensation, setting corporate governance principles and guidelines, reviewing health and safety matters, performance evaluations of directors and oversight of internal controls systems; however the Board retains at all times its oversight and approval function and ultimate responsibility for these matters and all other delegated responsibilities.
- The Board will regularly review its size and ensure that it represents a mix of skills and abilities to ensure that the Board carries out its duties and responsibilities in the most effective manner.

Strategic Planning, Acquisitions and Investments

- The Board has responsibility to oversee a management-driven strategic planning process consistent with the investment objectives of the Corporation and the Board is responsible for approving on at least an annual basis, a strategic plan which takes into account the opportunities and risks of the business.
- The Board is responsible for reviewing, discussing and approving all material contracts, transactions, acquisitions and investments.
- The Board is responsible for providing input to management on emerging trends and issues and on management objectives and goals.

Monitoring of Financial Performance and Financial Statements

- The Board is responsible for monitoring the financial performance of the Corporation and for approving the level of distributions paid by the Corporation.
- The Board is responsible for approving the Corporation's audited financial statements, interim financial reports and the notes and Management's Discussion and Analysis accompanying such financial statements.

Risk Management

- The Board is responsible for the identification of the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to effectively monitor and manage such risks with a view to the long-term viability of the Corporation and achieving a proper balance between the risks incurred and the potential return to the Corporation.

- The Board is responsible for satisfying itself of the integrity of the CEO.

Policies and Procedures

- The Board is responsible for monitoring and approving material policies and procedures that are designed to ensure that the Corporation and all Entities operate within applicable laws and regulations and in accordance with ethical and moral standards.

Communications and Reporting

- The Board has approved and will revise from time to time as circumstances warrant a disclosure policy to address communications with shareholders, employees, financial analysts, investors, governments and regulatory authorities, the media and the Canadian and international communities.
- The Board is responsible for:
 - overseeing the accurate reporting of the financial performance of the Corporation to shareholders, other securityholders and regulators on a timely and regular basis;
 - overseeing that the financial results of the Corporation are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
 - taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Corporation; and
 - approving all prospectuses, financial statements, the Corporation's annual information form and management information circular.

CHAIR OF THE BOARD

Introduction

The Board selects its chair (the “**Chair**”) from among its members to lead the Board in the course of its work. The Chair is responsible for the overall process involved in the work of the Board, as well as the development and effective performance of the Board.

The Chair provides advice and counsel to senior management of the Corporation on issues of importance to senior management or the Board.

Key Responsibilities of the Chair

- reviews the preparation of the agendas for all Board and, if required, shareholder meetings;
- presides at all Board and shareholder meetings;
- ensures that the Board receives regular updates on all issues important to the Corporation;
- ensures that Board members understand major issues, strategy and risks;
- works closely with the chairs of the Board's committees to ensure that all of the committees' responsibilities are carried out; and
- works collectively and individually with members of the Board to ensure optimum performance of the Board.

LEAD DIRECTOR

Appointment

The lead director (the “**Lead Director**”) is appointed by the Board annually. The Lead Director must always be an independent director within the meaning of National Instrument 58-101, as amended from time to time.

Responsibilities

The Lead Director shall:

- ensure that the Board functions independently of management;
- ensure that independent directors have adequate opportunities to meet to discuss issues without representatives of management present;
- chair separate meetings of the independent directors;
- be available to Board members who have concerns that cannot be addressed through the Chair or meetings of the Board;
- chair meetings of the Board in the absence of the Chair;
- as requested by the Board act as a liaison between the Board and management;
- in consultation with the Chair and management set the agenda for Board meetings; and
- ensure the Board has the requisite resources to support its work effectively.

This mandate shall be reviewed on an annual basis.