

# BORALEX

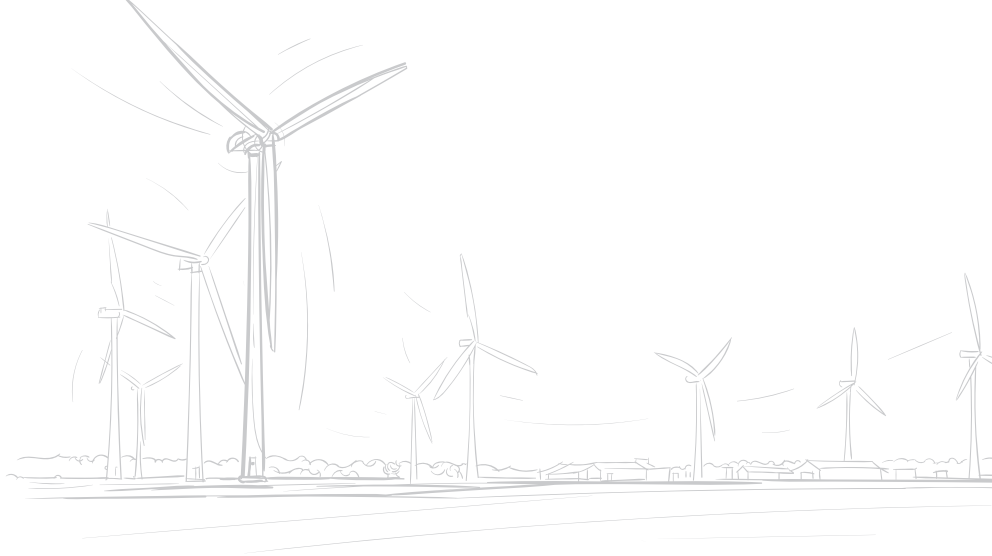


## POWER TO DO MORE

**NOTICE**  
of Annual Meeting  
of Shareholders  
Management proxy  
**CIRCULAR**  
**2018**



# PROFILE



Boralex develops, builds and operates renewable energy power facilities in Canada, France, the United Kingdom and the United States. A leader in the Canadian market and France's largest independent producer of onshore wind power, the Corporation is recognized for its solid experience in optimizing its asset base in four power generation types – wind, hydroelectric, thermal and solar. Boralex has ensured sustained growth by leveraging the expertise and diversification developed for more than 25 years.

## General Information

### HEAD OFFICE

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**Kingsey Falls** (Québec)  
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### WEBSITE

[www.boralex.com](http://www.boralex.com)



@BoralexInc

### BUSINESS OFFICES

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24<sup>th</sup> floor  
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Canada H3A 0A8  
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**Vancouver**, British Columbia  
Canada V6E 1B5  
Telephone: 1-855-604-6403

201-174 Mill Street  
**Milton**, Ontario  
Canada L9T 1S2  
Telephone:  
819-363-6430 | 1-844-363-6430

#### UNITED STATES

39 Hudson Falls Street  
**South Glens Falls** New York  
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United States  
Telephone: 518-747-0930  
Fax: 518-747-2409

#### FRANCE

71, rue Jean-Jaurès  
62 575 **Blendecques**  
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8, rue Anatole France  
59 000 **Lille**  
France  
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Fax: 33 (0)3 28 36 54 96

21, avenue Georges Pompidou  
Le Danica – Bâtiment B  
69 486 **Lyon** Cedex 03  
France  
Telephone: 33 (0)4 78 92 68 70  
Fax: 33 (0)4 78 42 03 44

99, La Canebière  
CS 60526  
13 205 **Marseille** Cedex 01  
France  
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#### UNITED KINGDOM

52 Grosvenor Gardens  
Terminal House, Room 501  
**London** SW1W 0AU  
United Kingdom  
Telephone: 44 (0) 20 7596 1206

# Notice of Annual Meeting of Shareholders

Notice is hereby given that the annual meeting (the "**Meeting**") of the shareholders of Boralex Inc. (the "**Corporation**") will be held at 11:00 a.m. (Eastern Daylight Time) on Wednesday, May 8, 2019 at 900 de Maisonneuve Blvd. W., 8<sup>th</sup> Floor, Montreal, Quebec, for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the financial year ended December 31, 2018, and the independent auditor's report thereon;
2. to elect the directors of the Corporation;
3. to appoint the independent auditor of the Corporation;
4. to adopt a non-binding advisory resolution, the complete text of which is reproduced on page 9 of the Proxy Circular, accepting the Corporation's executive compensation approach;
5. to transact any other business which may properly come before the Meeting or any adjournment thereof

The accompanying Proxy Circular (the "**Circular**") provides additional information on the matters which will be transacted at the Meeting. Registered shareholders at the close of business on March 11, 2019 will be entitled to vote at the Meeting.

Shareholders who are unable to attend the Meeting and vote in person, kindly complete, sign and return the enclosed proxy. The attached Circular and proxy form contain instructions on how to complete and return your proxy. To be valid, proxies must be received by the Corporation's transfer agent and registrar, Computershare Investor Services Inc., no later than 5:00 p.m. (Eastern Daylight Time) on May 6, 2019, or, if the Meeting is adjourned, no later than 5:00 p.m. (Eastern Daylight Time) on the business day prior to the day fixed for the adjourned or postponed meeting.

By Order of the Board of Directors,

(s) Pascal Hurtubise

**Pascal Hurtubise**

Vice President, Chief Legal Officer  
and Corporate Secretary

Montreal, Quebec  
March 12, 2019

# Letter to shareholders

On behalf of the Board of Directors, management and employees of Boralex, we look forward to welcoming you to the annual meeting of shareholders on Wednesday, May 8, 2019 at 900 de Maisonneuve Blvd. W., 8<sup>th</sup> Floor, Montreal, Quebec.

This management proxy circular (the “**Circular**”) outlines the issues to be dealt with at the Meeting and provides information on the compensation of Boralex’s executive officers and on its governance practices. At the Meeting, members of Boralex’s executive officers will discuss the highlights of 2018 and talk about our plans for the future.

If you are unable to attend the meeting in person, please fill out and return the attached proxy or voting instruction form in the envelope provided for that purpose. You may also vote on-line by following the instructions on the attached forms.

We also take this opportunity to mention that Michelle Samson-Doel and Pierre Seccareccia will not be standing for re-election and will step down as directors at the annual meeting on May 8, 2019. We would like to thank them for the dedication, wisdom and leadership they demonstrated throughout their tenure on Boralex’s Board of Directors.

Lastly, we ask you to read our annual report and this circular and exercise the voting rights attached to your shares represented by your proxy.

We look forward to seeing you at the meeting and we thank you for your confidence in and support of Boralex.

(s) Alain Rhéaume

**Alain Rhéaume**

Chair of the Board of Directors

(s) Patrick Lemaire

**Patrick Lemaire**

President and Chief Executive Officer

# Management Proxy Circular

This management proxy circular (the "**Circular**") is furnished in connection with the solicitation of proxies by management of Boralex Inc. ("**Boralex**" or the "**Corporation**") for use at the annual meeting of shareholders or at any adjournment or postponement thereof (the "**Meeting**"), to be held at 11:00 a.m. on Wednesday, May 8, 2019 at the place and for the purposes set forth in the accompanying Notice of Meeting.

All information provided in the circular is given as of March 11, 2019, unless otherwise indicated.

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# Part 1 - Vote and proxies

## 1.1 Voting Information

The following questions and answers provide guidance on how to exercise the voting rights attached to your shares.

### Who can vote?

The record date for determining holders of Class A shares entitled to receive notice of and to vote at the Meeting is the close of business on March 11, 2019 (the "**Record Date**"). Shareholders who are registered as at the Record Date will be entitled to vote at the Meeting, either in person or by proxy. Each Class A share carries the right to one vote.

### What will I be voting on?

You will be voting on (i) the election of directors of the Corporation, (ii) the appointment of PricewaterhouseCoopers LLP/s.r.l./S.E.N.C.R.L. as the independent auditor of the Corporation, to hold office until the next annual meeting of shareholders at such compensation as may be fixed by the directors of the Corporation and (iii) a non-binding advisory resolution accepting the Corporation's executive compensation approach. **The Corporation's Board of Directors and management recommend that shareholders vote FOR items (i), (ii) and (iii).**

In addition, you may be asked to vote in respect of any other matter which may properly come before the Meeting. As of the date of the Circular, management is not aware of any such other matters.

### How will these matters be decided at the Meeting?

A simple majority of the votes cast, in person or by proxy, will constitute approval of matters voted on at the Meeting, except as otherwise specified.

### Who is soliciting my proxy?

Management of the Corporation is soliciting your proxy for use at the Meeting. The solicitation is being made by mail and the cost will be borne by the Corporation.

### How can I contact the transfer agent?

You can contact the transfer agent either by mail at Computershare Investor Services Inc., 100 University Ave, 8th Floor, Toronto, Ontario M5J 2Y1, by telephone at 1-800-564-6253, by fax at 1-888-453-0330 or by e-mail at [service@computershare.com](mailto:service@computershare.com).

### How do I vote?

If you are eligible to vote and your Class A shares are registered in your name (which makes you a "**Registered Shareholder**"), you can vote your Class A shares in person at the Meeting or by proxy. Please see the instructions below under "How do I vote if I am a Registered Shareholder?"

If your Class A shares are held in the name of a nominee, such as a trustee, a financial institution or a securities dealer (which makes you a "**Non-Registered Shareholder**"), please see the instructions below under "How do I vote if I am a Non-Registered Shareholder?"

### How do I vote if I am a Registered Shareholder?

You are a Registered Shareholder if your name appears on your share certificate.

#### 1. Voting in person

If you wish to vote in person, you may present yourself to a representative of Computershare Investor Services Inc. at the registration table at the Meeting. **If you wish to vote in person at the Meeting, you do not need to complete or return the form of proxy.**

#### 2. Voting by proxy

You may appoint someone else to vote for you as your proxy holder by using the enclosed form of proxy. The persons named as proxies in such form of proxy are directors or officers of the Corporation. **However, you have the right to appoint any other person (who need not be a shareholder) to attend and act on your behalf at the Meeting. That right may be exercised by writing the name of such person in the blank space provided in the form of proxy and by striking out the names of the proposed directors or officers. Make sure that the person you appoint is aware that he or she is appointed and attends the Meeting. Proxy holders should speak to a representative of Computershare Investor Services Inc. upon arriving at the Meeting.**

### How can I send my form of proxy?

You can either return a duly completed and executed form of proxy to the transfer agent and registrar for the Corporation's Class A shares, Computershare Investor Services Inc., in the envelope provided, or you can vote over the Internet or by phone by following the instructions on the form of proxy.

## What is the deadline for receiving the form of proxy?

The deadline for receiving duly completed forms of proxy or a vote over the Internet or by phone is 5:00 p.m. (Eastern Daylight Time) on May 6, 2019, or if the Meeting is adjourned, by no later than 5:00 p.m. (Eastern Daylight Time) on the business day prior to the day fixed for the adjourned or postponed meeting.

## How will my Class A shares be voted if I give my proxy?

For secret ballots or a show of hands, your Class A shares will be voted or withheld from voting in accordance with your instructions indicated on the proxy. If no instructions are indicated, your Class A shares represented by proxies in favour of the directors and officers of the Corporation will be voted **FOR** the election of each of management's nominees as directors, **FOR** the appointment of PricewaterhouseCoopers LLP/s.r.l./S.E.N.C.R.L. as independent auditor so that it can exercise its mandate until the next annual shareholders' meeting for compensation which will be determined by the Corporation's directors and **FOR** approval of the non-binding advisory resolution accepting the Corporation's executive compensation approach.

Should any nominee named herein for election as a director become unable to accept nomination for election, it is intended that the person acting under proxy in favour of management will vote for the election in his or her stead for such other person as management of the Corporation may recommend. Management has no reason to believe that any of the nominees for election as directors will be unable to serve if elected and management is not aware of any amendment or other business likely to be brought before the Meeting.

## If I change my mind, how can I revoke my proxy?

You may revoke any proxy that you have given. In addition to revocation in any other manner permitted by law, you may revoke the proxy by preparing a written statement, signed by you or your attorney, or if the proxy is given on behalf of a legal person, by anyone authorized to represent it at the Meeting, and depositing such written revocation statement at the office of Computershare Investor Services Inc. at 100 University Ave, 8th Floor, Toronto, Ontario M5J 2Y1 or by fax at 1-866-249-7775 at any time up to and including 5:00 p.m. (Eastern Daylight Time) on the last business day preceding the day of the Meeting or with the chair of the Meeting on the day of the Meeting.

## How do I vote if I am a Non-Registered Shareholder?

If your Class A shares are not registered in your name and are held in the name of a nominee such as a trustee, financial institution or securities dealer, you are a "Non-Registered Shareholder". If your Class A shares are listed in an account statement provided to you by your dealer, such Class A shares will, in all likelihood, not be registered in your name. Such Class A shares will more likely be registered under the name of your broker or an agent of that broker. Without specific instructions, Canadian brokers and their agents or nominees are prohibited from voting shares for the broker's client. If you are a Non-Registered Shareholder, there are two ways (listed below) that you can vote your Class A shares:

### 1. Giving your voting instructions

Applicable securities laws require your nominee to seek voting instructions from you in advance of the Meeting. Accordingly, you will receive or have already received from your nominee a request for voting instructions for the number of Class A shares you hold. Every nominee has its own mailing procedures and provides its own signature and return instructions, which should be carefully followed by Non-Registered Shareholders to ensure that their Class A shares are voted at the Meeting.

### 2. Voting in person

If you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions provided by your nominee to appoint yourself as proxy holder and follow the signature and return instructions of your nominee. Non-Registered Shareholders who appoint themselves as proxy holders should present themselves at the Meeting to a representative of Computershare Investor Services Inc. Do not otherwise complete the request for voting instructions sent to you as you will be voting at the Meeting.

## 1.2 Voting Securities and Principal Holders

The Corporation is authorized to issue an unlimited number of Class A shares and an unlimited number of preferred shares. As at March 11, 2019, 89,184,175 Class A shares and no preferred shares were outstanding. Class A shares are the only voting securities of the Corporation and each share entitles its holder to one vote.

To the knowledge of the Corporation's directors or executive officers, as at March 11, 2019 only the following person beneficially owned, or controlled or directed, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the Corporation.

Shareholder	Number of Class A shares	Percentage of the outstanding Class A shares
Caisse de dépôt et placement du Québec	17,715,999	19.9%



## Part 2 - Business of the Meeting

### 2.1 Presentation of Financial Statements

The consolidated financial statements for the year ended December 31, 2018, and the independent auditor's report of these financial statements will be presented to the shareholders at the time of the Meeting but the approval of shareholders is not required. These documents are included in the Corporation's 2018 Annual Report, which was mailed with this Circular to those registered shareholders and beneficial holders who have requested it.

### 2.2 Election of Directors

According to the Articles of the Corporation, the Board of Directors of the Corporation must be composed of a maximum of twenty (20) directors (the "**Board**" or "**Board of Directors**"). The term of office of each current member expires at the end of the Meeting. In 2018, the Corporation's Board of Directors had eleven (11) directors.

The Board has established the number of directors at eleven (11) for the coming year. All proposed directors currently serve on Boralex's Board of Directors, with the exception of André Courville and Marie-Claude Dumas. For more information about each nominee, see Part 3 "Information on Nominees for Election as Directors".

**You will be electing the 11 members  
who will comprise the Board of Directors**

In the absence of an express request for abstention, the persons designated in the accompanying form of proxy or voting instruction form intend to vote **IN FAVOUR OF** the election of each of the nominees. If, prior to the Meeting, any of the listed nominees would be unable to serve, the persons designated in the accompanying form of proxy or voting instruction form reserve the right to vote for another nominee at their discretion.

#### Majority Vote Policy

The Board of Directors adopted a majority vote policy which forms part of the Governance Manual, available on the Corporation's web site at [www.boralex.com](http://www.boralex.com) under Profile/Governance. Under this policy, if a nominee standing for election as a director receives a greater number of abstentions than votes in favor of his or her election, he or she will be considered as not having received the support of shareholders, even if he or she was legally elected, and he or she will submit his or her resignation without delay. The Nominating and Corporate Governance Committee will consider the resignation and the circumstances surrounding it and recommend to the Board whether to accept or reject the resignation. The Board will have 90 days following the meeting to publish a press release announcing its decision. The Board may or may not (until the next annual meeting of shareholders) fill the vacancy on the Board resulting from the resignation. A director who resigns under this policy will not participate in the deliberations of the Nominating and Corporate Governance Committee or of Board in relation to his or her resignation.

## 2.3 Appointment of Independent Auditor

The Board of Directors and the Audit Committee recommend the appointment of PricewaterhouseCoopers LLP/s.r.l./S.E.N.C.R.L. as independent auditor of the Corporation to exercise its mandate until the next annual shareholders' meeting.

PricewaterhouseCoopers LLP/s.r.l./S.E.N.C.R.L. has been the independent auditor of the Corporation for more than five years. In the absence of a specific request for abstention, the persons named in the proxy form or enclosed voting instruction form intend to vote **IN FAVOUR OF** the re-appointment of PricewaterhouseCoopers LLP/s.r.l./S.E.N.C.R.L. chartered professional accountants, as independent auditor of the Corporation until the next annual shareholders' meeting, for a remuneration to be determined by the directors of the Corporation.

### Approval Policy of the Audit Committee

The Audit Committee has implemented a policy regarding the independence of the external auditor, which governs all aspects of Boralex's relationship with its external auditor, including pre-approval of all services provided by its external auditor. At the beginning of each year, Boralex's Vice President and Chief Financial Officer and the external auditor jointly submit to the Audit Committee the list of audit services, audit-related services, tax services and services other than auditing that are subject to the general pre-approval for the following financial year. The Audit Committee reviews and, if it deems advisable, approves the list of proposed services.

If, after the annual general approval, the Corporation considers it necessary for the external auditor to perform an additional service, a request must be submitted at the next regular meeting of the Audit Committee in order to obtain specific prior approval.

### Fees of the Independent Auditor

The following table lists the fees invoiced by PricewaterhouseCoopers LLP/s.r.l./S.E.N.C.R.L. over the last two financial years ended December 31<sup>st</sup>, in Canadian dollars, for various services rendered to the Corporation and its subsidiaries:

(in Canadian dollars)	2018	2017
Audit fees <sup>1</sup>	\$877,640	\$533,500
Audit-related fees <sup>2</sup>	\$785,125	\$368,550
Tax fees <sup>3</sup>	—	—
Other fees <sup>4</sup>	\$137,000	\$21,200
Total	\$1,799,765	\$923,250

1. *Audit fees* are all fees related to the professional services provided to audit the annual financial statements. They also include services provided by the auditors regarding other document filings provided by law and regulation or services provided related to financial statements, including the review of consolidated interim financial statements.
2. *Audit-related fees* were paid for professional services related to the audit of the financial statements of the Corporation's subsidiaries, where required, to the preparation of specific reports on procedures and other review engagements unrelated to the Corporation's consolidated financial statements.
3. *Tax fees* were paid in consideration of professional services rendered regarding income tax.
4. *Other fees* were paid for translation and consulting services and services related to the auditor's participation in investment documents, where applicable.

**You will be appointing the independent auditor.**

## 2.4 Non-binding advisory vote on the Corporation's approach to executive compensation

The purpose of the advisory vote on executive compensation is to enable shareholders to give their opinion during each annual meeting on the Corporation's approach to the compensation of its executive officers disclosed in the section entitled "Statement of Executive Compensation" in this Circular.

As a shareholder, you will be asked to vote on the following non-binding advisory resolution:

"BE IT RESOLVED, in an advisory capacity and without diminishing the role and responsibilities of the Board of Directors, that the shareholders agree to the executive compensation approach disclosed in this Management Proxy Circular sent in preparation for the 2018 annual meeting of Borelex's shareholders."

As this is an advisory vote, its results will not bind the Board of Directors. However, the Board's Human Resources Committee will review and analyze the results of the vote and take them into consideration.

The Board of Directors recommends that shareholders vote **IN FAVOUR OF** this resolution.



In the absence of an express request to abstain, the persons named on the attached proxy form or voting instruction form intend to vote **IN FAVOUR OF** the resolution.

**You will be voting on an advisory resolution on executive compensation**

## Part 3 - Information on Nominees for Election as Directors

### Description of Nominees

The following table contains information as of March 11, 2019, unless otherwise indicated, regarding the nominees for election as directors. Certain information set out below with respect to nominees was unknown to the Corporation and was provided by each of the respective nominees.

	<p><b>Patrick Lemaire</b> Quebec, Canada President and Chief Executive Officer</p> <p><b>Age:</b> 55 <b>Status:</b> Not independent <b>Director since:</b> 2006</p>	<p><b>ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018</b></p> <table><tr><td>Board of Directors</td><td>12/12</td></tr><tr><td><b>Attendance rate</b></td><td><b>100%</b></td></tr></table> <p><b>OTHER PUBLIC COMPANY BOARD OF DIRECTORS</b></p> <p><b>CURRENT BOARDS</b></p> <table><tr><td>Cascades Inc.</td><td>2016 to date</td></tr></table> <p><b>PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)</b></p> <p>Not applicable</p> <p><b>SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES</b></p> <table><tr><td>DECEMBER 31, 2018</td><td></td></tr><tr><td>Boralex Class A shares</td><td>27,809</td></tr><tr><td>Boralex DSUs</td><td>8,459</td></tr><tr><td><b>Value (\$)</b></td><td><b>610,753</b></td></tr></table>	Board of Directors	12/12	<b>Attendance rate</b>	<b>100%</b>	Cascades Inc.	2016 to date	DECEMBER 31, 2018		Boralex Class A shares	27,809	Boralex DSUs	8,459	<b>Value (\$)</b>	<b>610,753</b>
Board of Directors	12/12															
<b>Attendance rate</b>	<b>100%</b>															
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DECEMBER 31, 2018																
Boralex Class A shares	27,809															
Boralex DSUs	8,459															
<b>Value (\$)</b>	<b>610,753</b>															
	<p><b>André Courville, FCPA, FCA, ICD.D</b> Quebec, Canada Corporate Director</p> <p><b>Age:</b> 65 <b>Status:</b> Independent <b>Director since:</b> Not applicable</p>	<p><b>ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018</b></p> <table><tr><td>Board of Directors</td><td>Not applicable</td></tr><tr><td><b>Attendance rate</b></td><td><b>Not applicable</b></td></tr></table> <p><b>OTHER PUBLIC COMPANY BOARD OF DIRECTORS</b></p> <p><b>CURRENT BOARDS</b></p> <table><tr><td>Uni-Select Inc.</td><td>2014 to date</td></tr></table> <p><b>PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)</b></p> <p>Not applicable</p> <p><b>SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES</b></p> <table><tr><td>DECEMBER 31, 2018</td><td></td></tr><tr><td>Boralex Class A shares</td><td>0</td></tr><tr><td>Boralex DSUs</td><td>0</td></tr><tr><td><b>Value (\$)</b></td><td><b>0</b></td></tr></table>	Board of Directors	Not applicable	<b>Attendance rate</b>	<b>Not applicable</b>	Uni-Select Inc.	2014 to date	DECEMBER 31, 2018		Boralex Class A shares	0	Boralex DSUs	0	<b>Value (\$)</b>	<b>0</b>
Board of Directors	Not applicable															
<b>Attendance rate</b>	<b>Not applicable</b>															
Uni-Select Inc.	2014 to date															
DECEMBER 31, 2018																
Boralex Class A shares	0															
Boralex DSUs	0															
<b>Value (\$)</b>	<b>0</b>															

**Main areas of expertise:**

- Renewable energy
- Mergers and acquisitions, financing and financial markets
- Chief Executive Officer/Senior Executive
- Human resources and compensation

**Votes in favour of his election at the 2017 annual meeting:**  
**99.72%**

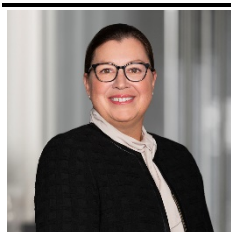
Patrick Lemaire has been President and Chief Executive Officer of Boralex since September 2006. He was previously Vice President and Chief Operating Officer (Containerboard) for Norampac Inc. Mr. Lemaire graduated with a degree in mechanical engineering from Laval University (Québec).

**Main areas of expertise:**

- Financial Information
- Governance and risk management
- Mergers and acquisitions, financing and financial markets
- Chief Executive Officer/Senior Executive

**Votes in favour of his election at the 2017 annual meeting:** Not applicable

André Courville is a corporate director and a chartered professional accountant. Previously a senior audit partner at Ernst & Young until June 30, 2014 with 37 years of experience working with Canadian, U.S. and International listed companies in various industries. Since September 18, 2018, Mr. Courville is Interim President and Chief Executive Officer of Uni-Select Inc., where he was Chairman of the Board since May 2016. In 2015 and 2017, he was President and Chief Executive Officer of the Institute of Corporate Directors (Québec Chapter). Mr. Courville is also a director, Chair of the Audit and Finance Committee and member of the Executive Committee of the Montreal Heart Institute Foundation.



## Lise Croteau, FCPA, FCA, ASC

Quebec, Canada  
Corporate Director

**Age:** 58

**Status:** Independent

**Director since:** 2018

### Main areas of expertise:

- Financial Information
- Governance and risk management
- Mergers and acquisitions, financing and financial markets
- Renewable energy

### Votes in favour of her election at the 2017 annual meeting:

**99.93%**

Lise Croteau is a corporate director. From 2015 to 2018 she was Executive Vice President and Chief Financial Officer of Hydro-Québec, having served as Interim President and Chief executive Officer of Hydro-Québec from May to July 2015. Ms. Croteau began her career as an auditor and joined Hydro-Québec in 1986, successively holding control and financial management positions. A chartered professional accountant since 1984, Ms. Croteau holds a Bachelor's in business administration and was named Fellow of the Ordre des comptables agréés du Québec in 2008 in recognition of her exceptional contribution to the profession.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	9/9
Audit Committee	4/4
<b>Attendance rate</b>	<b>100%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

TVA Group Inc.	2018 to date
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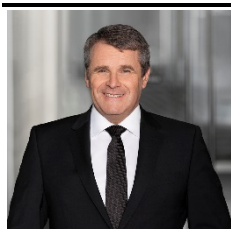
#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	0
Boralex DSUs	1,211
<b>Value (\$)</b>	<b>20,393</b>



## Ghyslaine Deschamps

Quebec, Canada  
Executive Vice President, Building  
Division, EBC Inc.

**Age:** 52

**Status:** Independent

**Director since:** 2018

### Main areas of expertise:

- Renewable energy
- Project management - infrastructure
- Governmental affairs, regulation and environment
- Renewable energy

### Votes in favour of his election at the 2017 annual meeting:

**99.93%**

Ghyslaine Deschamps is a business executive with over 25 years of experience in project management and business operations around the world. He currently serves as Executive Vice President, Building Division of EBC Inc., a company active in the building, civil works and mining sectors. After graduating in engineering, Mr. Deschamps held various prominent positions in Canada and abroad. He worked for Hydro-Québec, Babcock & Wilcox, SNC-Lavalin and Director, Englobe Corp. as Senior Vice-President/North America and from 2013 to 2018 as Senior Vice President/Infrastructure for the Telecon Group. He has completed leadership and min-MBA programs at McGill University.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	8/9
Environment, Health and Safety Committee	4/4
<b>Attendance rate</b>	<b>91%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Not applicable

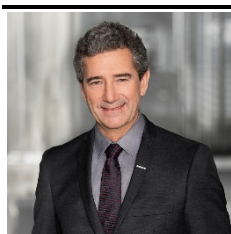
#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	0
Boralex DSUs	1,211
<b>Value (\$)</b>	<b>20,393</b>



## Alain Ducharme

Quebec, Canada  
Consultant

**Age:** 63

**Status:** Independent

**Director since:** 2011

### Main areas of expertise:

- Project management - infrastructure
- Mergers and acquisitions, financing and financial markets
- Chief Executive Officer/Senior Executive
- Human resources and compensation

**Votes in favour of his election at the 2017 annual meeting:**  
**96.32%**

Alain Ducharme graduated in business administration from the University of Sherbrooke. Now retired, he was one of the officers of Cascades Inc., where he held various positions including Corporate President from 1997 to 2010.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	12/12
Human Resources Committee	8/8
Environment, Health and Safety Committee (Chair)	4/4
<b>Attendance rate</b>	<b>100%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Not applicable

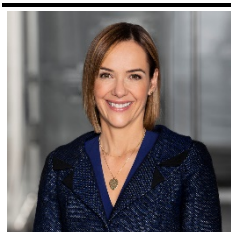
#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	2,500
Boralex DSUs	4,397
<b>Value (\$)</b>	<b>116,145</b>



## Marie-Claude Dumas

Quebec, Canada  
President, Clean Power and member of the Executive Committee of SNC-Lavalin and Chair of the Board of Linxon

**Age:** 48

**Status:** Independent

**Director since:** Not applicable

### Main areas of expertise:

- Renewable energy
- Project management – infrastructure
- Human resources and compensation
- Governance and risk management

**Votes in favour of her election at the 2017 annual meeting:** Not applicable

Marie-Claude Dumas is President, Clean Power and a member of the Executive Committee of SNC-Lavalin, as well as chair of the board of Linxon, a joint venture between SNC-Lavalin and ABB. Ms. Dumas has 25 years of experience in the field of project delivery and business management. She has worked for Nortel, Bain & Company and SNC-Lavalin. She holds a Bachelor's in Engineering and a Master's in Applied Science from École Polytechnique. She also holds a Master's of Business Administration from École des Hautes Études Commerciales de Montréal (now HEC Montréal).

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	Not applicable
<b>Attendance rate</b>	<b>Not applicable</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Not applicable

#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	0
Boralex DSUs	0
<b>Value (\$)</b>	<b>0</b>



## Marie Giguère

Quebec, Canada  
Corporate Director

**Age:** 67

**Status:** Independent

**Director since:** 2017

### Main areas of expertise:

- Mergers and acquisitions, financing and financial markets
- Governance and risk management
- Chief Executive Officer/Senior Executive
- Human resources and compensation

**Votes in favour of her election at the 2017 annual meeting:**  
**99.71%**

Marie Giguère is a corporate director. Until 2016 she was Executive Vice President, Legal Affairs and Secretariat of the Caisse de dépôt et placement du Québec. She was a long-standing partner at Fasken Martineau LLP, where she began her career. From 1997 to 1999, she was Senior Vice President, Institutional Affairs and General Secretary of the Montreal Exchange. From 1999 to 2005, she was Senior Vice President, Chief Legal Officer and General Secretary of Molson Inc. Ms. Giguère holds a Bachelor of Civil Law from McGill University.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	10/12 <sup>2</sup>
Nominating and Corporate Governance Committee	5/6
Environment, Health and Safety Committee	4/4
<b>Attendance rate</b>	<b>95%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

TMX Group Limited	2011 to date
-------------------	--------------

#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	3,000
Boralex DSUs	2,313
<b>Value (\$)</b>	<b>89,471</b>



## Edward H. Kernaghan<sup>1</sup>

Ontario, Canada  
Corporate Director

**Age:** 47

**Status:** Independent

**Director since:** 2006

### Main areas of expertise:

- Mergers and acquisitions, financing and financial markets
- Governance and risk management
- Financial information
- Human resources and compensation

**Votes in favour of his election at the 2017 annual meeting:**  
**94.91%**

Edward H. Kernaghan holds a Master of Science degree from the University of Toronto. He is Senior Investment Advisor of Kernaghan & Partners Ltd., a brokerage firm. Mr. Kernaghan is also President of Principia Research Inc., a research and investment company, and of Kernwood Ltd., an investment holding company.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	10/12
Nominating and Corporate Governance Committee (Chair)	6/6
<b>Attendance rate</b>	<b>89%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Brick Brewing Co. Limited	2004 to date
Exco Technologies Limited	2009 to date
Obsidian Energy Ltd.	2018 to date
Black Diamond Group Limited	2018 to date

#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

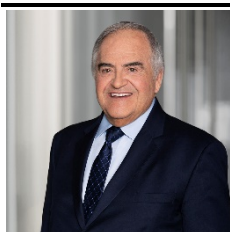
PFB Corporation	2010 to 2018
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### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	6,700
Boralex DSUs	3,676
<b>Value (\$)</b>	<b>174,732</b>





## Yves Rheault

Quebec, Canada  
Corporate Director and Consultant

**Age:** 74

**Status:** Independent

**Director since:** 1997

### Main areas of expertise:

- Mergers and acquisitions, financing and financial markets
- Chief Executive Officer/Senior Executive
- Financial information
- Human resources and compensation

### Votes in favour of his election at the 2017 annual meeting: 95.40%

Yves Rheault is a corporate director and consultant. He acts as a consultant for the Caisse de dépôt et placement du Québec in the field of energy and infrastructure. He serves on the board of directors of certain private corporations, including Hydrosolution Ltd. and Roland Boulanger & Cie ltée. Mr. Rheault has held executive positions in various companies operating in the energy field, including as chair of the board of directors of Gaz Métro for 8 years. He served as Vice President, Business Development of Boralex from 1997 to 2002. A graduate of the University of Montreal, Mr. Rheault holds a Bachelor of Commerce Degree and a Master's Degree in Administration.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	10/12 <sup>2</sup>
Human Resources Committee (Chair)	8/8
Environment, Health and Safety Committee	2/2
<b>Attendance rate</b>	<b>100%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Not applicable

#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Fluxys Belgium	2011 to 2013
Thirau inc. (formerly Napec inc.)	2017 to 2018

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

#### DECEMBER 31, 2018

Boralex Class A shares	8,113
Boralex DSUs	2,954
<b>Value (\$)</b>	<b>186,368</b>



## Alain Rhéaume

Quebec, Canada  
Corporate Director

**Age:** 67

**Status:** Independent

**Director since:** 2010

### Main areas of expertise:

- Mergers and acquisitions, financing and financial markets
- Chief Executive Officer/Senior Executive
- Financial information
- Human resources and compensation

### Votes in favour of his election at the 2017 annual meeting: 99.93%

Alain Rhéaume is Co-founder and Managing Partner of Trio Capital Inc., a private investment company. He is also a corporate director. Mr. Rhéaume has been Chair of the Board of Directors of Boralex since March 9, 2017. He has more than 25 years of experience holding senior executive positions in the public and private sectors. In 1996, he joined Microcell Telecommunications Inc. as Chief Financial Officer. Subsequently, he held positions as President and Chief Executive Officer of Microcell PCS (2001 to 2003) and President and Chief Operating Officer of Microcell Solutions Inc. (2003 to 2004). Until June 2005, he was Executive Vice President, Rogers Wireless Inc., and President of Fido Solutions Inc. (a division of Rogers Wireless Inc.), positions to which he was named when Microcell Telecommunications Inc. was acquired by Rogers in 2004. From 1974 to 1996, he was employed by the Québec Ministry of Finance and served as Associate Deputy Minister of Finance from 1988 to 1992 and as Deputy Minister from 1992 to 1996. Mr. Rhéaume holds a licence in Administration and Business (finance and economics) from Laval University.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	12/12
Audit Committee	2/2
Human Resources Committee	2/2
<b>Attendance rate</b>	<b>100%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Resolute Forest Products Inc.	2010 to date
SNC-Lavalin Group Inc.	2013 to date

#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

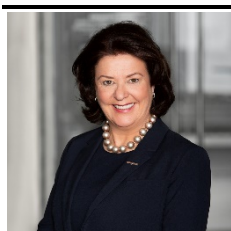
Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

#### DECEMBER 31, 2018

Boralex Class A shares	3,500
Boralex DSUs	10,767
<b>Value (\$)</b>	<b>240,256</b>





## Dany St-Pierre, ICD.D

Illinois, United States  
President of Cleantech Expansion LLC

**Age:** 57  
**Status:** Independent  
**Director since:** 2016

### Main areas of expertise:

- Renewable energy
- Mergers and acquisitions, financing and financial markets
- Chief Executive Officer/Senior Officer
- Governmental Affairs, Regulation and Environment

**Votes in favour of her election at the 2017 annual meeting:**  
**99.51%**

Dany St-Pierre is President of Cleantech Expansion LLC, a renewable energy consulting firm. She has 25 years of professional experience, including 15 in the energy sector in Canada, the United States and Latin America, having worked for companies like Nordex USA, Alstom Power and Siemens Power Generation. Her corporate experience includes marketing, sales, business development and mergers and acquisitions. Ms. St-Pierre earned a Bachelor's Degree in Business Administration (marketing) from Université du Québec à Trois-Rivières, and a Master's Degree in Business Administration (M.B.A.) from Laval University.

### ATTENDANCE AT BOARD AND STANDING COMMITTEE MEETINGS IN 2018

Board of Directors	12/12
Nominating and Corporate Governance Committee	6/6
Environment, Health and Safety Committee	4/4
<b>Attendance rate</b>	<b>100%</b>

### OTHER PUBLIC COMPANY BOARD OF DIRECTORS

#### CURRENT BOARDS

Not applicable

#### PREVIOUS BOARDS (WITHIN THE LAST FIVE YEARS)

Not applicable

### SHARE OWNERSHIP AND AGGREGATE VALUE OF EQUITY SECURITIES

DECEMBER 31, 2018

Boralex Class A shares	0
Boralex DSUs	3,523
<b>Value (\$)</b>	<b>59,327</b>

- 1 Mr. Edward H. Kernaghan is the son of Mr. Edward J. Kernaghan, who exercises control or direction over 2,482,800 Class A shares of the Corporation held by Kernwood Ltd., of which Mr. Edward J. Kernaghan owns 75% of the shares and Mr. Edward H. Kernaghan owns 25% of the shares.
- 2 Ms. Marie Giguère and Mr. Yves Rheault were excluded from two meetings of the Board of Directors during which a transaction involving the Caisse de dépôt et placement was discussed.

## Additional information about the directors

As at the date hereof, to the Corporation's knowledge and according to the information provided by the nominees for election to the Board of Directors, no nominee is or was, in the past ten (10) years, a director or executive officer of a corporation that, while the 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, with the exception of:

- Mr. Alain Rhéaume who was director of Quebecor World Inc. ("**Quebecor**") which, on January 21, 2008, sought protection under the *Companies' Creditors Arrangement Act* and implemented a capital restructuring plan approved by its creditors in July 2009 after having obtained a court order authorizing it. Mr. Rhéaume has not been a director of Quebecor since July 2009.

## Part 4 - Compensation of Board Members

The compensation policy of Boralex's directors is intended to:

1. attract and retain competent individuals to serve on Boralex's Board and on Board committees, while taking into account the risks and responsibilities associated with the effective execution of the function of director;
2. offer competitive compensation to its directors; and
3. harmonize the directors' interests with the shareholders' interests.

The structure and level of the directors' compensation is recommended by the Human Resources Committee that reviews the compensation of Boralex's directors annually and this compensation is approved by the Board of Directors. To do this, the Human Resources Committee analyzes compensation practices and trends.

Following the adoption of the deferred share unit plan (the "**DSU Plan**") and the director compensation policy that provides for a requirement to hold a minimum number of shares or deferred share units ("**DSUs**"), all Boralex directors receive a basic annual retainer in cash and in the form of DSUs. The Corporation's independent directors also receive additional annual fees for the positions of chair or member of standing Board committees, other than the Chair of the Board. Only independent directors receive attendance fees.

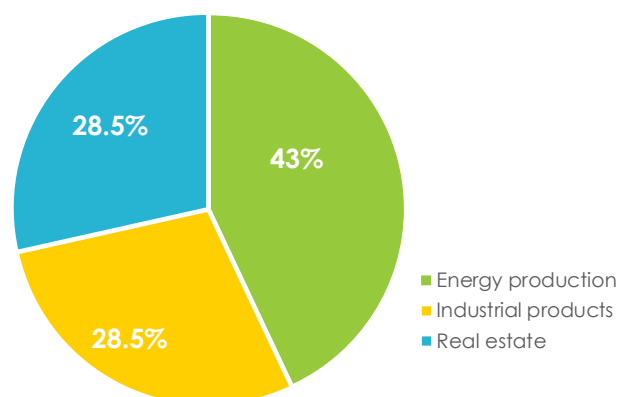
The Corporation also reimburses directors for expenses they incur to attend Board and committee meetings as well as expenses related to continuing education.

### 4.1 Reference Group

In 2017, the directors' compensation was benchmarked from a market outlook according to a study conducted by the consulting firm PCI-Perrault Consulting. In 2018, the directors' compensation was not updated. Thus, the 2017 study was conducted using the same reference group that was then used to assess the cash compensation of the Corporation's executive officers. The comparison group is comprised of the following corporations:

Name	Activity
Innergex Renewable Energy Inc.	Energy production
Algonquin Power & Utilities Corp.	Energy production
Northland Power Inc.	Energy production
Velan Inc.	Industrial products
Héroux-Devtek Inc.	Industrial products
Melcor Developments Ltd.	Real estate
Killam Apartment Real Estate Investment Trust	Real estate

The comparison group is made up of corporations similar to Boralex in terms of complexity, including size, activities and geographic location, and that compete to attract key talented people. The following pie chart shows the distribution of the reference group per sector:



## 4.2 Compensation Levels

The following table sets forth the compensation of Boralex's directors in 2018:

Type of compensation	Cash (\$)	DSUs (\$)
Basic annual retainer <sup>1</sup>		
• Chair of the Board <sup>2</sup>	142,000	32,000
• Other directors	48,000	7,000
Additional annual fees		
• Chair of the Audit Committee	12,000	–
• Chair of other committees	7,500	–
• Committee members	4,000	–
Attendance fees		
• Board meetings	1,500	–
• Committee meetings	1,500	–

<sup>1</sup> Directors may opt to receive all or part of their basic annual cash retainer in the form of DSUs. However, a director who has not reached the holding target, as set out in the director compensation policy, is deemed to have opted to receive 50% of his or her basic annual cash retainer in the form of DSUs.

<sup>2</sup> The Chair of the Board does not receive additional fees as committee chair or member.

## 4.3 Deferred Share Unit Plan

The DSU Plan was established to further align the interests of the Corporation's directors with the interests of its shareholders. The main terms and conditions of the DSU Plan are as follows:

Eligible participants	<ul style="list-style-type: none"><li>• authorize the Board to allocate, on a discretionary basis, a number of DSUs to the directors of the Corporation;</li><li>• enable directors to opt to receive all or part of their basic annual cash retainer in the form of DSUs (the "eligible compensation") subject to a share ownership requirement (3 times the basic annual retainer). DSUs may also be granted on a special basis in recognition of services rendered;</li><li>• allow DSUs to be granted to the Corporation's executive officers. DSUs may be granted in order to defer the payment of compensation to the executive officer or on a special basis in recognition of services rendered;</li></ul>
DSU account credit	<ul style="list-style-type: none"><li>• DSUs granted to a director are credited to his or her DSU account;</li><li>• for the part of the eligible compensation elected to be received in the form of DSUs, the number of DSUs credited to the account is calculated by dividing the amount of the eligible compensation by the average closing price of the Class A shares on the Toronto Stock Exchange for the last five trading days of the fiscal year;</li><li>• holders of DSUs are credited with additional DSUs having a value equal to the dividends paid on the Corporation's Class A shares;</li></ul>
Settlement of DSUs	<ul style="list-style-type: none"><li>• DSUs are settled after the date on which the participant ceases to be a director of the Corporation for any reason whatsoever, including retirement or death (the "termination date");</li><li>• the settlement of DSUs is equal to the market value of the DSUs on the termination date.</li></ul>

## 4.4 Shareholding Requirement

Throughout their term of office, directors must hold shares or DSUs having a value equal to three times their basic annual retainer (the "**Holding Target**"). To determine whether the shareholding target has been met for a year, the value of the shares and DSUs is calculated based on the higher of i) the sum of the shares and DSUs held multiplied by the closing price of Boralex's Class A shares on the Toronto Stock Exchange on December 31<sup>st</sup> of the previous year, or ii) the number of shares held on such date multiplied by their weighted average cost, plus the value of the DSUs on that date.

Until this minimal requirement is reached, they must receive at least 50% of their basic annual cash retainer in the form of DSUs; nonetheless, once the minimal requirement is reached, the directors may opt to continue to receive DSUs

**50% of the directors' compensation must be paid in DSUs until they reach their shareholding requirement.**

The following table sets forth the number of Boralex Class A shares and DSUs held as at December 31, 2018 by each director as well as the corresponding dollar value on said date and indicates each director's status with regard to shareholding requirement on such date:

Name	Number of Class A shares	Number of DSUs	Total number of Class A shares and DSUs	Total value <sup>1</sup> (\$)	Shareholding requirement (\$)	Requirement met
Lise Croteau <sup>2</sup>	0	1,211	1,211	20,393	165,000	Pending
Ghyslain Deschamps <sup>3</sup>	0	1,211	1,211	20,393	165,000	Pending
Alain Ducharme	2,500	4,397	6,897	116,145	165,000	Pending
Marie Giguère	3,000	2,313	5,313	89,471	165,000	Pending
Edward H. Kernaghan	6,700	3,676	10,376	174,732	165,000	Met
Patrick Lemaire	27,809	8,459	36,268	610,753	165,000	Met
Yves Rheault	8,113	2,954	11,067	186,368	165,000	Met
Alain Rhéaume	3,500	10,767	14,267	240,256	522,000	Pending
Michelle Samson-Doel	28,881	2,408	31,289	526,907	165,000	Met
Pierre Seccareccia	11,900	2,066	13,966	235,187	165,000	Met
Dany St-Pierre	0	3,523	3,523	59,327	165,000	Pending

<sup>1</sup> The total value corresponds to the product obtained by multiplying the number of Boralex Class A shares and DSUs held by each director as at December 31, 2018 by the closing price of Boralex's Class A shares at the close of business on such date, i.e., \$16.84.

<sup>2</sup> Ms. Lise Croteau was elected as a Boralex director on May 9, 2018.

<sup>3</sup> Mr. Ghyslain Deschamps was elected as a Boralex director on May 9, 2018

## 4.5 Summary Table of Director Compensation

The following table sets forth the aggregate compensation earned by non-executive directors for the financial year ended December 31, 2018:

Name <sup>1</sup>	Standing committees on which he or she serves	Total compensation (\$) <sup>2</sup>	Allocation of total compensation	
			In cash (\$)	In DSUs (\$)
L. Croteau <sup>3</sup>	Audit	59,227	39,077	20,150
G. Deschamps <sup>4</sup>	Environment, Health and Safety	54,727	34,577	20,150
A. Ducharme	Environment, Health and Safety (chair) Human Resources	104,000	73,000	31,000
M. Giguère	Environment, Health and Safety Nominating and Corporate Governance	93,000	57,200	35,800
E. H. Kernaghan	Nominating and Corporate Governance (chair)	88,000	69,000	19,000
R. Lemaire <sup>5</sup>	-	19,482	17,011	2,471
Y. Rheault	Human Resources (chair) Environment, Health and Safety <sup>6</sup>	101,418	94,418	7,000
A. Rhéaume	Audit <sup>7</sup> Human Resources <sup>7</sup>	202,500	99,500	103,000
M. Samson-Doel	Audit Nominating and Corporate Governance <sup>8</sup> Human Resources <sup>9</sup>	106,418	99,418	7,000
P. Seccareccia	Audit (chair)	100,000	93,000	7,000
D. St-Pierre	Nominating and Corporate Governance Environment, Health and Safety	97,500	66,500	31,000
<b>Total</b>		<b>1,026,272</b>	<b>742,701</b>	<b>283,571</b>

<sup>1</sup> See Section 5.3 "Summary Compensation Table" on page 33 of this Circular for the compensation earned by Mr. Patrick Lemaire, including DSUs.

<sup>2</sup> Total compensation includes all compensation earned as a Board member or as a member of a Board committee.

<sup>3</sup> Ms. Lise Croteau was elected as a director of Boralex on May 9, 2018.

<sup>4</sup> Mr. Ghyslain Deschamps was elected as a director of Boralex on May 9, 2018.

<sup>5</sup> Mr. Richard Lemaire is no longer a director of Boralex since May 9, 2018.

<sup>6</sup> Mr. Yves Rheault ceased to be a member of the Environment, Health and Safety Committee on May 9, 2018

<sup>7</sup> Mr. Alain Rhéaume ceased to be a member of the Audit and Human Resources Committees on May 9, 2018.

<sup>8</sup> Ms. Michelle Samson-Doel ceased to be a member of the Nominating and Corporate Governance Committee on May 9, 2018.

<sup>9</sup> Ms. Michelle Samson-Doel has been a member of the Human Resources Committees since January 1, 2018.

## 4.6 Share-based Awards

The following table sets out the details on outstanding DSUs for Boralex directors who served on the Board during the fiscal year ended December 31, 2018, including DSUs granted in 2018.

Name <sup>1</sup>	Share-based awards (DSUs) – Value vested during fiscal year					
	DSUs outstanding as at Dec. 31, 2017	Director compensation paid in DSUs in 2018 <sup>1</sup>		Credit equivalent to a dividend in the form of DSUs granted in 2018 <sup>1</sup>		DSUs outstanding as at Dec. 31, 2018 <sup>1</sup>
	(number of DSUs)	(number of DSUs)	(\$)	(number of DSUs)	(\$)	(number of DSUs)
L. Croteau <sup>2</sup>	0	1,211	20,150	0	0	1,211
G. Deschamps <sup>3</sup>	0	1,211	20,150	0	0	1,211
A. Ducharme	2,456	1,864	31,000	77	1,564	4,397
M. Giguère	156	2,152	35,800	5	99	2,313
E. H. Kernaghan	2,456	1,143	19,000	77	1,564	3,676
P. Lemaire	6,393	1,864	31,000	202	4,072	8,459
R. Lemaire <sup>4</sup>	1,595	106	2,471	10	239	1,711
Y. Rheault	2,456	421	7,000	77	1,564	2,954
A. Rhéaume	4,434	6,193	103,000	140	2,823	10,767
M. Samson-Doel	1,926	421	7,000	61	1,227	2,408
P. Seccareccia	1,595	421	7,000	50	1,016	2,066
D. St-Pierre	1,608	1,865	31,000	50	1,024	3,523

<sup>1</sup> See Section 5.3 "Summary Compensation Table" on page 33 of this Circular for the compensation paid to Mr. Patrick Lemaire as a director, including the amount of \$55,000 as basic annual retainer.

<sup>2</sup> Ms. Lise Croteau was elected as a director of Boralex on May 9, 2018.

<sup>3</sup> Mr. Ghyslain Deschamps was elected as a director of Boralex on May 9, 2018.

<sup>4</sup> Mr. Richard Lemaire is no longer a director of Boralex since May 9, 2018.

# Part 5 - Statement of Executive Compensation

## 5.1 Governance of Compensation

### Human Resources Committee

The Human Resources Committee (the "**Committee**") is composed of three independent directors. In 2018, the Committee members were Yves Rheault, chair of the Committee, Alain Ducharme, Alain Rhéaume until May 9, 2018 and Michelle Samson-Doel as of January 1, 2018.

The Board believes that all the members of the Committee have the relevant experience to fully assume the responsibilities related to compensation of executive officers and the skills and experience required to make sound decisions regarding policies and practices of the Corporation with respect to compensation.

- Mr. Yves Rheault has held various executive positions in corporations or organizations and, as a result, has developed and implemented compensation policies and practices. In particular, he served as chair of the board of directors of Gaz Métro for eight years. During his career, he served on the compensation committee of private companies having to deal with the same issues as Borelex with respect to compensation. He currently chairs the Human Resources Committee of Hydrosolution Ltd.
- Mr. Alain Ducharme was Corporate Vice President of Cascades inc., a position he held until his retirement. In performing his duties Mr. Ducharme was responsible for developing compensation policies and practices and presenting them to the executive committee.
- Mr. Alain Rhéaume has more than 25 years of experience in executive positions in private and public companies in which he assumed human resources supervisory duties. He currently serves on the Human Resources Committee of SNC-Lavalin Group Inc. and has throughout his career, served on human resources committees of several public corporations.
- Ms. Michelle Samson has served in many executive positions at Multi-Marques Inc., a company operating in the bakery sector, including as executive chair of the board of directors and Vice President of business development, during which she developed and implemented compensation and succession planning policies and practices. She also chairs the human resources committee of GTAA – Greater Toronto Airports Authority / Toronto Pearson International Airports and during her career she has been a member of the human resources and compensation committee or the CEO selection committee for the GTAA – Greater Toronto Airports Authority / Toronto Pearson International Airports, Ontario Lottery and Gaming Corporation and Women's College Hospital Foundation.

The following table shows the balance and extent of the Committee members' expertise by highlighting their main compensation and human resources skills:

Name	CEO/EVP/ Head of HR of other corporations	Member/ Chair of the HR Committee	Pension fund administration	Drafting/revision of compensation contracts	Leadership and succession planning	Incentive plans	Financial analysis and compensation market analysis	Negotiation of employment conditions
Yves Rheault	√	√		√	√	√	√	√
Alain Ducharme	√	√	√	√	√	√	√	√
Michelle Samson-Doel	√	√	√	√	√	√	√	√
Alain Rhéaume	√	√	√	√	√	√	√	√

## Mandate of the Human Resources Committee

The Committee's responsibilities include the following:

- review the Corporation's compensation policy and make recommendations to the Board with respect to different compensation mechanisms;
- review the conditions for eligibility and the exercise of options or units granted in accordance with the terms and conditions of the Corporation's incentive compensation plans;
- assess the performance of the President and Chief Executive Officer and review the assessment of the performance of executive officers and their eligibility for certain incentive plans;
- make recommendations to the Board regarding the compensation of executive officers;
- review the organizational structure of executive officers of the Corporation and ensure that adequate succession plan mechanisms exist.
- review the compensation of directors and make recommendations to the Board in this regard;
- supervise the identification of the risks related to the Corporation's compensation practices and policies and ensure the implementation of practices to manage such risks in order to mitigate them.

The Committee may, at the expense of the Corporation, retain the services of any compensation consultant in order to be more fully advised on issues relating to the compensation or succession of executive officers.

The Committee meets at least four times annually. Meetings are held at the request of the chair of the Committee, one of its members or the President and Chief Executive Officer of the Corporation. Members meet before or after each meeting of the Committee without the presence of management.

## Determining Compensation

The compensation of executive officers of the Corporation is determined according to the compensation policy of the Corporation and the Committee's recommendations. This policy aims to offer a competitive total compensation that enables the Corporation to attract and retain qualified people. Moreover, the policy was developed in order to recognize and encourage individual contributions to value creation for shareholders of Boralex and reward individual performance, while taking into account the strategy and the financial performance of the Corporation.

As more fully described in Section 5.2 "Compensation Discussion and Analysis", the compensation policy consists of fixed and variable components. The strategy of compensation of executive officers focuses on performance-related variable components, which are short-term bonuses and stock options or performance share units. Cash compensation - base salary and bonus - is benchmarked against the comparison group. The compensation policy targets base salary at the median (50<sup>th</sup> percentile) to ensure base salaries remain competitive. However, total compensation may reach or exceed the 75<sup>th</sup> percentile of the companies of the comparison group, according to Boralex's financial performance and achievement or surpassing of its corporate objectives.

The Committee has the responsibility to annually review the compensation of executive officers and to make recommendations in this regard to the Board. The President and Chief Executive Officer recommends the compensation of executive officers to the Committee, with the exception of his own. The Committee recommends to the Board the compensation of executive officers, including that of the President and Chief Executive Officer. The Committee takes into account the market data obtained by the Corporation in evaluating the recommendations of the President and Chief Executive Officer with respect to the compensation of executive officers, as well as its recommendations to the Board. However, comparative data is only a guide; it does not replace the judgment of the Committee members.

The compensation of executive officers is approved by the directors of Boralex who have the discretion to increase or decrease an award or payment.



## Risks Associated with Compensation

The Committee considers the application of the executive officers' compensation policy on an annual basis to ensure that it continues to advance its objectives. The Committee reviews and evaluates the risks related to compensation and to incentive plans to ensure that the Corporation's compensation plans include the appropriate incentives without encouraging risk-taking that might have a material adverse effect on the Corporation. The Committee has not identified any material risks stemming from the Corporation's compensation policies or practices that are reasonably likely to have a material adverse effect on the Corporation.

In December 2017, the Board of Directors adopted a policy to recover compensation from its executive officers. A description of the policy is given on page 41 of this circular.

The following table provides an overview of the Corporation's policies on compensation-related risk management.

What we do	What we avoid
We cap the long-term incentive payments of executive officers to prevent exorbitant compensation levels.	We do not guarantee the payment of variable incentives.
	We do not pay incentives that are not proportional to performance results. The Board and the Committee have discretionary powers to modify incentive payments where warranted by unforeseen circumstances.
We do not make any compensation-related exception for named executive officers without appropriate Board approval.	We do not offer executive officers a single trigger indemnity in case of a change in control.
We offer a compensation program that prioritizes performance, with the majority of the total target compensation of named executive officers being at risk and closely tied to the Corporation's performance.	We do not issue stock options at a price below the share price and we do not allow the price of options to be reduced or options to be exchanged for options having a lower exercise price.
We retain the services of external independent compensation consultants to evaluate our named executive officers' compensation program in order to ensure that they are in line with the shareholders' and the Corporation's objectives, best practices and principles of governance.	We do not allow insiders, including directors and executive officers, to hedge against the economic risk associated with the Corporation's securities. Pursuant to this policy, directors, management and staff cannot hedge or take a similar offsetting position on the securities of Boralex. This ban covers all forms of derivatives like variable prepaid forward contracts, equity swaps, collars or exchange-traded fund units that are designed to protect against a decrease in the market value of equity securities granted as compensation or directly or indirectly held.
We ensure that the Committee is composed of independent directors so as to avoid compensation-related conflicts of interest.	

## Named Executive Officers

In 2018, the named executive officers were:

Name	Position
Patrick Lemaire	President and Chief Executive Officer
Jean-François Thibodeau	Vice President and Chief Financial Officer
Patrick Decostre	Vice President and General Manager, Boralex Europe
Hugues Girardin	Vice President, Development
Pascal Hurtubise	Vice President, Chief Legal Officer and Corporate Secretary

## Compensation Consultants

The Corporation retains the services of independent consulting firms to assist it in determining the compensation of management. In 2018, Management asked PCI-Perrault Consulting ("PCI") to provide it with market data and trends as well as outside opinions as experts on various executive compensation proposals. Management retained PCI's services for the first time in 2010.

In the past, the Committee considered that the market data used by management in its benchmarking practices was sufficient. In 2018, for the first time, the Committee independently retained the services of Hugessen Consulting Inc. ("Hugessen") to review the current compensation program and the named executive officer compensation proposals and provide it with opinions in that regard. The Committee is satisfied with the opinions received from Hugessen and considers them to be objective and unbiased.

No policy exists pursuant to which the Board or the Committee must pre-approve the other services provided by the consulting firms to the Corporation or an affiliate, at the request of management.

The tables opposite provide an overview of the total fees paid to compensation consulting firms for the services they rendered in 2018 and 2017.

### PCI

(in Canadian dollars)	2018	2017
Fees for services related to director or executive officer compensation	\$17,744	\$8,080
Other fees <sup>1</sup>	\$0	\$42,353
Total	\$17,744	\$50,433

<sup>1</sup> Other fees in 2017 were paid for services to analyze the salary structure of employees (other than executive officers) and various support.

### Hugessen Consulting

(in Canadian dollars)	2018	2017
Fees for services related to director and executive officer compensation	\$109,423	–
Other fees	0	–
Total	\$109,423	–

## 5.2 Compensation Discussion and Analysis

### Compensation Philosophy and Objectives

The Corporation's compensation policy is influenced by a number of factors such as business strategy, financial performance and value creation for shareholders. It aims to achieve four key objectives:

- attract and retain qualified people;
- align total compensation with the interests of shareholders;
- create an entrepreneurial culture that rewards superior performance; and
- achieve and exceed corporate objectives.

### Components of Compensation

Compensation objectives guided the development of a compensation mode for executive officers including fixed and variable components. These components are as follows:

- base salary;
- non-equity incentive – consisting of a cash bonus linked to the achievement of a financial objective and corporate objectives;
- equity incentive – comprised of stock options and performance share units; and
- other elements of compensation – consisting of benefits, perquisites and retirement benefits.

To reach the objectives, the following three key compensation elements are used:

	Type of compensation	Main objective	What does the compensation element reward?	How is the amount determined?	How does the compensation element support the overall objective?	Payment form
<b>Annual base salary</b>	Fixed	Provide a market-competitive fixed compensation rate	The scope and responsibilities of the positions and the specific skills required to assume them	It is determined at the median of the one paid by the Corporation's competitors on the market for comparable positions and similar experience	It provides a way to attract and retain competent executive officers who can help the Corporation reach its overall objective while focusing on rewarding actual performance	Cash
<b>Short-term incentive bonus</b>	Variable	Promote performance in terms of financial and corporate goals	Achieving and surpassing yearly objectives	It may bring the aggregate compensation above the median of the aggregate compensation paid by the Corporation's competitors on the market for comparable positions and similar experience	It provides a way to reward actual performance in terms of objectives that support the Corporation's overall corporate targets	
<b>Long-term incentive plan</b>		Align the long-term interests of executive officers with those of the shareholders	Creating shareholder value		It provides a way to attract and retain competent executive officers while rewarding the achievement of the Corporation's objective to create sustainable value for shareholders	Stock options Share units tied to performance

The compensation strategy favours variable components tied to performance as they are generally more important than base salary. Each year, the Committee reviews the relevance of each component and the desired market positioning in terms of annual cash compensation and makes recommendations to the Board based on the financial performance of the Corporation, individual performance, skills and the succession plan.

## Benchmarking Against Comparison Groups

The compensation of the named executive officers was benchmarked in 2018. The cash compensation of named executive officers was benchmarked in a market perspective based on data derived from an analysis of proxy circulars and national databanks.

The benchmark data comes from the proxy circulars of 14 Canadian corporations (the "**Circular-based Reference Group**") operating in the energy, real estate and other sectors, with a total median enterprise value of \$4 billion, median revenues of \$670 million and median earnings before interest, tax, depreciation and amortization ("**EBITDA**") of \$213M. This reference group represents a sampling of Canadian corporations selected to ensure the competitive nature of the compensation of the Corporation's executive officers by comparing it to the compensation offered by corporations similar to Borelex in terms of complexity, including size, activities and geographical location, and that are competing to recruit key talent.

The Committee also took cognizance of the reference data taken from national databanks regarding companies operating in Quebec's renewable energy sector with revenues of approximately \$400 million and in the energy and services sector with revenues between \$200 million and \$500 million (the "**National Databank-based Reference Group**"). The businesses comprising this group are unknown to the Corporation.

The Circular-based Reference Group and the National Databank-based Reference Group make up the Corporation's comparison group (the "**Comparison Group**").

The following table lists the corporations comprising this Circular-based Reference Group:

Name	Activities	Total enterprise value <sup>1</sup> (\$M)	Revenue (last 12 months) <sup>1</sup> (\$M)	EBITDA (last 12 months) <sup>1</sup> (\$M)	Head office located in Quebec
Northland Power Inc.	Independent power producer and merchant	12,755	1,499	1,101	
Algonquin Power & Utilities Corp.	Independent power producer and merchant	11,802	2,072	819	
Innergex Renewable Energy Inc.	Renewable energy producer	5,946	444	327	√
Cominar Real Estate Investment Trust	Real estate investment trust	5,707	836	407	√
Canada Goose Holdings Inc.	Clothing, accessories and luxury items	6,201	517	136	
Capital Power Corporation	Independent power producer and merchant	4,705	1,004	524	
Crombie Real Estate Investment Trust	Real estate investment trust	4,405	415	283	
Stella-Jones Inc.	Forest products	3,873	1,888	232	√
Northview Apartment Real Estate Investment Trust	Real estate investment trust	3 387	340	180	
The Descartes System Group Inc.	Application software	3 052	321	103	
Recipe Unlimited Corporation	Restaurant	2 249	823	194	
Richelieu Hardware Ltd.	Manufacturer and distributor	1 802	969	104	√
Algoma Central Corporation	Marine	858	459	96	
Héroux-Devtek inc	Aerospace and defense	631	387	54	√

<sup>1</sup> All financial data as at June 11, 2018.

## 2018 Compensation of Named Executive Officers

### Base Salary

The base salary of each named executive officer of the Corporation is established according to their level of responsibility compared to other positions in the Corporation, their skills or their relevant experience and in relation to the base salary paid by corporations of the Comparison Group. The starting point to determine the base salary is the median in salaries of the Comparison Group.

### Non-Equity Incentives

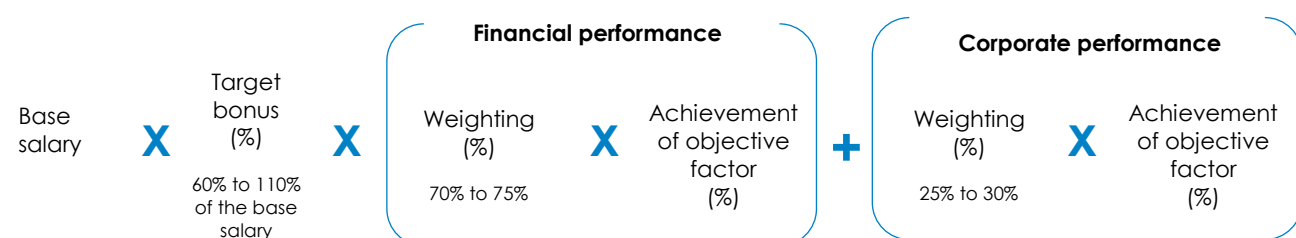
The short-term incentive plan forms part of the compensation of all permanent employees of Boralex having at least one year of service, including named executive officers.

This plan is based on Boralex's ability to generate free cash flow ("**FCF**"), vital to its growth. Thus, the bonus paid under this plan is tied to a financial objective based on achieving an annual target of FCF of Boralex. For the purposes of this plan, FCF is defined as follows: income before tax, interest and depreciation less costs tied to debt servicing (principal and interest) and payable taxes, but excluding all development costs. If actual FCF at the end of any year exceeds the target for that year, the threshold for actual FCF becomes the target for the following year.

For named executive officers, corporate objectives submitted by the President and Chief Executive Officer and approved by the Board, on recommendation of the Committee, are also included.

For named executive officers, the target bonus paid under the short-term incentive plan corresponds to a percentage of their base salary which is determined according to the position held. This target bonus is then weighted between the financial objective and the corporate objectives.

#### The bonus is calculated as follows:



In 2018, the target bonus was established between 60% and 110% of the base salary of named executive officers, as the case may be, and the weighting of the bonus was established between 70% and 75% depending on the achievement of the financial objective and between 25% and 30% depending on the achievement of the corporate objectives, as the case may be. No maximum ratio is applied to the bonus when the objectives exceed the target.

The target bonus and the weighting of objectives established in 2018 for the named executive officers are described in the following table:

Position	Target Bonus (as a % of base salary)	Weighting	
		Financial objective	Corporate Objectives
President and Chief Executive Officer	110%	70%	30%
Vice President and Chief Financial Officer	110%	75%	25%
Vice President and General Manager, Boralex Europe	70%	75%	25%
Vice President, Development	70%	75%	25%
Vice President, Chief Legal Officer and Corporate Secretary	60%	75%	25%

The 2018 objectives under the plan were as follows:

**1. Financial Objective:** The percentage of the bonus was tied to achieving the annual FCF target of \$101.4 million. After reviewing Boralex's financial results for the first three quarters and the estimated fourth quarter results, the Board determined that the financial objective achieved a level equal to 105%. The notion of "free cash flow" does not have a standard meaning according to the International Financial Reporting Standards ("IFRS") and should not be considered as a more significant measure than the financial performance measures recommended by the IFRS or as a measure capable of replacing it. The Corporation only uses the aforementioned free cash flow data in its financial decisions related to compensation as indicated above.

**2. Corporate Objectives:** The percentage of the bonus was based on the achievement of the corporate objectives set in terms of Boralex's growth objectives and operational priorities. Particular attention was paid to the following: (i) project development and acquisition, (ii) meeting project-related objectives, and (iii) analysis of strategic and financial concerns, as well as the development of action plans resulting therefrom. These objectives included both quantitative financial indicators and qualitative strategic and operational considerations. However, these corporate objectives are set as an incentive for the named executive officers to overachieve and fulfill more than the expected responsibilities and duties inherent in their positions. The performance percentage of each named executive officer is based on an individual assessment, reviewed and approved by the Committee. Specific corporate objectives cannot be disclosed because disclosure would be detrimental to the competitive position of the Corporation or interfere significantly with ongoing or future negotiations concerning contracts or tenders, given their relationships with the Corporation's strategies, its market share, jurisdictions in which it aims to grow and the development budgets of the Corporation.

Moreover, the Committee may recommend to the Board, at its discretion, a level of payment that differs from the one suggested by quantitative results to reflect unforeseen events or non-recurring events and to ensure that the payment is, in its opinion, appropriate compared to the actual performance.

At the end of the year, the President and Chief Executive Officer determined and presented to the Committee the achievement of corporate objectives. After its review, the Committee determined that the objectives of each member of the named executive officers were achieved in the following proportion:

Position	Achievement of objectives (%) <sup>1</sup>	
	Financial objective	Corporate Objectives
President and Chief Executive Officer	105%	170%
Vice President and Chief Financial Officer	105%	176%
Vice President and General Manager, Boralex Europe	105%	188%
Vice President, Development	105%	171%
Vice President, Chief Legal Officer and Corporate Secretary	105%	180%

<sup>1</sup> As the achievement of the objectives was determined based on preliminary data, the percentage may be adjusted in 2019 based on the actual results of the fiscal year. An upward or downward adjustment, as the case may be, will then be allocated to the payment of the bonus paid in 2019.

# Equity Incentives

The Corporation's long-term incentive plan (the "**Long-Term Incentive Plan**") forming part of the named executive officers' compensation policy is designed to:

- recognize and reward efforts, performance and loyalty;
- recognize and reward the impact of long-term strategic actions undertaken by management;
- align the interests of the Corporation's key employees and its shareholders;
- ensure that management focuses on developing and implementing the continuing growth strategy of the Corporation; and
- promote the retention of key management personnel.

The Long-Term Incentive Plan is comprised of the stock option plan (the "**Option Plan**") and the performance share unit plan (the "**PSU Plan**").

## a) Stock Options

The Option Plan was set up in 1996 and allows the Board to grant executive officers and key employees of the Corporation and its subsidiaries, options to purchase Class A shares of the Corporation (the "**Options**"). See page 37 of this Circular for a description of the Option Plan.

The number of options to be allocated is determined by dividing an amount corresponding to a percentage of the base salary of the named executive officer, which varies between 25% and 75%, by the average closing price of the Corporation's shares for the five (5) trading days preceding the grant date. Prior stock option grants are not factored into consideration when considering the granting of new options.

The annual allocation process takes into account the efforts and performance of the executive officers and key employees of the Corporation. These factors are assessed on a discretionary basis and are unweighted. The percentage of the salary used to grant options to each named executive officer, with the exception of the President and Chief Executive Officer, is submitted to the Committee by the President and Chief Executive Officer of the Corporation and approved by the Board of Directors on recommendation of the Committee. The percentage of salary used to grant options to the President and Chief Executive Officer is approved by the Board on recommendation of the Committee.

## b) Performance share units

In 2016, the Board, following recommendations by the Committee, approved the implementation of a performance share unit plan, or the PSU Plan, that took effect on May 1, 2017. The Board of Directors considers that the implementation of the PSU Plan will better align the interests of the Corporation's key employees with those of its shareholders and will limit the dilution resulting from the granting of options.

The number of performance share units ("**PSUs**") granted under the PSU Plan is determined by dividing an amount corresponding to a percentage of the base salary of the named executive officer, which varies between 10% and 30%, by the average closing price of the Corporation's shares for the five (5) trading days preceding the grant date.

Beneficiaries will have a three-year vesting period following the grant date, based on the total shareholder return (TSR) of Boralex calculated as follows:

Cumulative  
TSR over  
3 years

=

Change in  
share price  
over 3 years

+

Dividends  
paid during  
3 years

Share price at start of 1<sup>st</sup> year

The cumulative TSR is compared to a group of businesses in the Corporation's sector, including:

Nom
Algonquin Power & Utilities Corp.
Brookfield Renewable Energy Partners
Capital Power Corporation
Innervex énergie renouvelable inc.
Northland Power Inc.
Pattern Energy Group Inc.
Transalta Renewables Inc.

Pursuant to the vesting criteria related to these PSUs, vesting of the PSUs is completed based on a multiplier according to the following formula:

Vesting formula	
TSR percentile rank	PSU vesting
25 <sup>th</sup> percentile or less	0%
Median	100%
75 <sup>th</sup> percentile or more	150%
100 <sup>th</sup> percentile	200%

Where applicable, there will be interpolation between the return levels. If the cumulative TSR return is negative, PSU vesting will not exceed 100%, regardless of the percentile rank.

On the cash-in date of the PSUs which the beneficiaries are entitled to earn, they receive a cash payment equal to the price of Boralex's shares at that time, multiplied by the number of PSUs vested at that time. If the beneficiaries have not reached their shareholding requirement on that date, they will receive a portion of this value in cash equal to the amount necessary to pay the income taxes payable upon such vesting. The balance will be paid in Class A shares acquired on the market which they must hold until they reach their shareholding requirement.

## Benefits and Perquisites

The Corporation's benefits program for employees, including named executive officers, includes life, medical, dental and disability insurance. Perquisites are offered to named executive officers, namely automobile-related benefits. The Corporation did not use benchmarking to determine these benefits. As the Corporation participates in national surveys conducted by compensation consulting firms, it has access to the published data thereby allowing it to ascertain that it offers all its employees, including named executive officers, a benefits program that reflects competitive practices.

## Retirement Benefits

The Corporation's group retirement savings plan (the "**Retirement Plan**"), similar to a defined contribution pension plan, was created to allow the employees, including named executive officers, to accumulate capital for their retirement. The Savings Plan is a combination of a Registered Retirement Savings Plan ("**RRSP**") and a Deferred Profit Sharing Plan ("**DPSP**"). Pursuant to the Savings Plan the Corporation pays (i) a basic contribution of 2.25% of the employee's base salary into an RRSP or DPSP, depending on the allowable maximum and, (ii) an additional contribution which varies between 0% and 3% of the employee's base salary depending on the Corporation's profitability in the previous year. These contributions are paid even if the employee does not contribute to the Savings Plan. In addition, if the employee makes a contribution to his or her RRSP, he or she receives, from the Corporation, an additional contribution equivalent to his or hers, varying between 1% and 4.5% of his or her base salary, depending on the employee's seniority. The employee's and the Corporation's contributions are subject to the maximum amount allowed under the *Income Tax Act* (Canada). Employees opt to invest their contributions and those of the Corporation among one of the available financial products.

In addition, certain employees who were employed by Cascades Inc. (the principal shareholder of Boralex until July 27, 2017) before 1995 kept certain benefits, including a retirement allowance if they retired at age 57 or later. This particular situation applies to two named executive officers, the President and Chief Executive Officer and the Vice President, Development. The retirement allowance is the product obtained by multiplying an amount varying between 2% and 2.5% of the base salary for the calendar year preceding retirement by the number of years of service. As a result, considering their years of service and eligibility, if the President and Chief Executive Officer retired on December 31, 2018, he would have been entitled to a retirement allowance of \$286,933 and the Vice President, Development would have been entitled to a retirement allowance of \$120,424.



## Shareholding Requirement for Executive Officers

The Board has approved shareholding requirement guidelines applicable to the named executive officers, who are required to own at least Class A shares of Boralex equal in value to twice the percentage of their annual base salaries used for purposes of determining awards under the Corporation's stock option plan. Share value is determined as at December 31 based on the price of the shares on the TSX on such date or the purchase price of the shares, whichever is higher.

Named executive officers who do not meet the minimum shareholding requirement shall be required to purchase annually shares equivalent in value to 5% of their base salary.

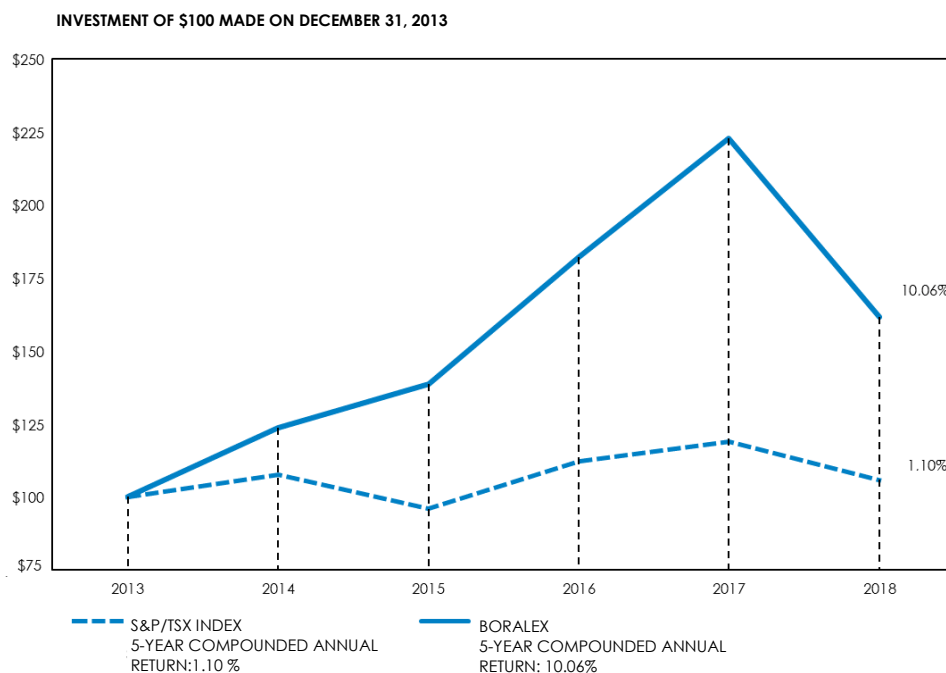
The following table sets out the number of Class A shares of Boralex owned as at December 31, 2018 by each named executive officer, the dollar value of such shares as of such date and whether the named executive officer meets the shareholding requirement as of such date:

Name	Number of Class A shares	Number of DSUs	Total value (\$)	Shareholding requirement (\$)	Requirement met
Patrick Lemaire	27,809	8,459	610,753	647,810	Pending
Jean-François Thibodeau	8,657	n/a	146,741	278,959	Pending
Patrick Decostre	3,750	n/a	63,150	161,129 <sup>1</sup>	Pending
Hugues Girardin	6,152	n/a	103,600	133,720	Pending
Pascal Hurtubise	1,893	n/a	35,475	100,100	Pending

<sup>1</sup> This amount was calculated in euros and converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada as at December 31, 2018, rounded to C\$1.53/€1.00.

## Performance Graph

The following graph shows the comparison between the cumulative total return of a \$100 investment in Class A shares of Boralex over five years and the cumulative return of the S&P/TSX Composite Index for the same period assuming the dividends were reinvested.



TWELVE-MONTH PERIODS ENDED DECEMBER 31

The following table compares the change in total return for the Corporation's shareholders with the compensation of the named executive officers and the change in the cash flow from operations during the past five fiscal years.

	2014	2015	2016	2017	2018
Change in total shareholder return - BLX-T (%)	23.6	12.0	31.5	34.3	(27.5)
Compensation of named executive officers (in millions of \$)	3.1	3.2	3.2	3.1	3.3
Cash flow from operations (in millions of \$)	78	132	144	210	208
Compensation of named executive officers as a percentage of cash flow from operations (%)	4.0	2.4	2.2	1.5	1.6

The trend shown by the above performance graph represents growth in 2014, 2015, 2016 and 2017 and a downturn in 2018.

Over the same five-year period, the average compensation of the named executive officers, excluding the value of the retirement plan, increased by 5.6% on average per year, compared to a yield of 10.06% on an annualized basis for the shareholder and a return of 32.5% on an annualized basis of the cash flow from operations.

The progression of the compensation of the named executive officers has no direct link to the trend shown in the graph with respect to the Corporation's Class A shares.

The increase or decrease of the Corporation's Class A share price is not a factor considered in determining the compensation of the named executive officers. The share price is, however, taken into account in connection with the vesting criteria of the PSUs according to the amendments made to the Long-Term Incentive Plan. However, when the share price decreases, the value of the previously granted options also decreases, which will directly influence the total compensation paid to executive officers. The share price is influenced by several external factors that are beyond the control of the Corporation's management, including the general state of the economy.

## 5.3 Summary Compensation Table

The following table shows the total compensation earned by the named executive officers for the financial years ended December 31, 2018, 2017 and 2016.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-based Awards <sup>1,2</sup> (\$)	Non-Equity Incentive Plan Compensation <sup>3</sup> (\$)	Pension Value <sup>4</sup> (\$)	All Other Compensation <sup>5</sup> (\$)	Total Compensation (\$)
					Annual incentive plans			
<b>Patrick Lemaire</b> , President and Chief Executive Officer	2018	421,340	160,572 <sup>6</sup>	38,988	587,095	59,566	24,000	1,291,561
	2017	418,573	151,412 <sup>7</sup>	63,633	555,404 <sup>8</sup>	60,981	20,000	1,270,003
	2016	408,364	25,000 <sup>9</sup>	117,845	491,875 <sup>10</sup>	59,302	100,000 <sup>11</sup>	1,202,386
<b>Jean-François Thibodeau</b> , Vice President and Chief Financial Officer	2018	277,127	55,792 <sup>12</sup>	16,790	374,191	26,593	–	750,493
	2017	270,718	54,428 <sup>13</sup>	27,400	366,151 <sup>14</sup>	22,504	–	741,201
	2016	265,410	–	51,120	316,037 <sup>15</sup>	22,064	40,000 <sup>16</sup>	694,631
<b>Patrick Decostre</b> , Vice President and General Manager, Boralex Europe	2018	268,549 <sup>17</sup>	40,688 <sup>18</sup>	12,341	236,529 <sup>17</sup>	13,591 <sup>17</sup>	–	571,698
	2017	244,107 <sup>19</sup>	20,174 <sup>20</sup>	10,154	214,930 <sup>19,21</sup>	11,021 <sup>19</sup>	–	500,386
	2016	240,889 <sup>22</sup>	–	27,048	197,710 <sup>22,23</sup>	12,647 <sup>22</sup>	–	478,294
<b>Hugues Girardin</b> , Vice President, Development	2018	212,253	26,745 <sup>24</sup>	8,053	187,040	21,473	–	455,564
	2017	209,532	25,476 <sup>25</sup>	12,820	183,781 <sup>26</sup>	20,774	–	452,383
	2016	199,554	–	23,239	157,777 <sup>27</sup>	19,908	40,000 <sup>28</sup>	440,478
<b>Pascal Hurtubise</b> , Vice President, Chief Legal Officer and Corporate Secretary	2018	195,300	20,028 <sup>29</sup>	6,039	145,010	15,073	–	381,450
	2017	162,000 <sup>30</sup>	18,194 <sup>31</sup>	9,161	127,296 <sup>32</sup>	13,365	–	330,016
	2016	144,096 <sup>33</sup>	–	–	77,862 <sup>34</sup>	11,008	30,000 <sup>35</sup>	262,966

1 Options were granted twice in fiscal 2018 under the Option Plan. A first series of options was granted on August 20, 2018 at an exercise price of \$19.04. These options will vest as to 25% per year as of August 20, 2019 on a cumulative basis. Unexercised options will expire on August 19, 2028. A second series of options was granted on November 19, 2018 at an exercise price of \$17.39, at the time of the named executive officers' salary review. The salary review was retroactive to March 25, 2018 so as to be effective at the same time for all the Corporation's employees, as in the past. These options will vest to 25% per year as of November 19, 2019 on a cumulative basis. Unexercised options will expire on November 18, 2028. See "Option Plan" on page 37 of this Circular.

2 The well-known Black-Scholes-Merton Model was used to determine the fair value of the options granted given the following assumptions:

Assumptions	2018 November 19	2018 August 20	2017	2016
(i) Risk-free interest rate:	2.81%	2.65%	2.15%	1.53%
(ii) Dividend rate:	7.18%	5.2%	3.08%	3.68%
(iii) Expected volatility in the price of shares:	18.65%	15.81%	21.12%	21.43%
(iv) Term:	10 years	10 years	10 years	10 years
Fair value per option:	\$2.16	\$2.29	\$4.43	\$3.19

3 See "Non-Equity Incentives" on page 27 of this Circular.

4 Amounts shown for fiscal years 2016, 2017 and 2018 represent contributions made by the Corporation under the Retirement Plan. See "Retirement Benefits" on page 30 of this Circular.

5 Perquisites have not been included, as they do not reach the prescribed threshold, that is, \$50,000 or 10% of total salary for the financial year. The amounts appearing in this column represent either the annual retainer paid for the position of director of the Corporation or a special bonus.

6 Represents the portion of Mr. Lemaire's total compensation as director that was received in the form of DSUs (\$31,000) and an amount of \$129,572 equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, i.e. \$19.04 for the August 20, 2018 grant and \$17.39 for the November 19, 2018 grant. The amount of \$129,572 does not constitute a cash amount received. In 2018, Mr. Lemaire received compensation of \$55,000 as director of Boralex, including an amount of \$24,000 paid in cash and included under "All Other Compensation" and an amount of \$31,000 received in the form of DSUs under the DSU Plan representing 1,864 DSUs based on the average closing price of Boralex's Class A shares on the TSX for the last five trading days of the fiscal year, i.e. \$16.63.

7 Represents the portion of Mr. Lemaire's total compensation as director that was received in the form of \$25,000 in DSUs and an amount of \$126,412 equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, August 17, 2017, i.e. \$22.00. This amount of \$126,412 does not constitute a cash amount received. In 2017, Mr. Lemaire received compensation of \$45,000 as director of Boralex, including an amount of \$20,000 paid in cash and included under "All Other Compensation" and an amount of \$25,000 received in the form of DSUs under the DSU Plan representing 1,075 DSUs based on the closing price of Boralex's Class A shares on the Toronto Stock Exchange for the last five trading days of the fiscal year, i.e. \$23.24.

8 This amount includes an increase of \$12,892 further to adjustments made in 2018.

9 Represents the portion of Mr. Lemaire's total compensation as director that was received in the form of DSUs. In 2016, Mr. Lemaire received compensation of \$45,000 as director of Boralex, including an amount of \$20,000 paid in cash and included under "All Other Compensation" and an amount of \$25,000 received in the form of DSUs under the DSU Plan representing 1,342 DSUs based on the closing price of Boralex's Class A shares at the close of business on December 31, 2016, i.e. \$19.15.

10 This amount includes a reduction of \$32,342 further to adjustments made in 2017.

11 This amount represents the compensation as director paid in cash, i.e. \$20,000, and a special bonus of \$80,000 awarded to Mr. Lemaire for his tireless efforts in the acquisition of the total economic interest of Enercon Canada inc. in the Niagara Region 230 MW wind farm which was granted to him in the form of DSUs under the DSU Plan. These DSUs were granted on March 2, 2017 when the Board of Directors approved the amendments to the DSU Plan allowing for DSUs to be granted to an executive officer in order to defer compensation allocated to this executive officer.

- 12 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, i.e. \$19.04 for the August 20, 2018 grant and \$17.39 for the November 19, 2018 grant. This amount does not constitute a cash amount received.
- 13 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, August 17, 2017, i.e. \$22.00. This amount does not constitute a cash amount received.
- 14 This amount includes an increase of \$8,338 further to adjustments made in 2018.
- 15 This amount includes a reduction of \$6,715 further to adjustments made in 2017.
- 16 This amount allocated to Mr. Thibodeau represents a special bonus for his tireless efforts in the acquisition of the total economic interest of Enercon Canada inc. in the Niagara Region 230 MW wind farm.
- 17 These amounts were paid in euros and converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada on December 31, 2018, rounded to C\$1.53/€1.00.
- 18 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, i.e. \$19.04 for the August 20, 2018 grant and \$17.39 for the November 19, 2018 grant. This amount does not constitute a cash amount received.
- 19 These amounts were paid in euros and converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada on December 31, 2017, rounded to C\$1.47/€1.00.
- 20 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, August 17, 2017, i.e. \$22.00. This amount does not constitute a cash amount received.
- 21 This amount includes an increase of \$4,902 further to adjustments made in 2018.
- 22 These amounts were paid in euros and converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada on December 31, 2016, rounded to C\$1.47/€1.00.
- 23 This amount includes a reduction of \$11,972 further to adjustments made in 2017.
- 24 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, i.e. \$19.04 for the August 20, 2018 grant and \$17.39 for the November 19, 2018 grant. This amount does not constitute a cash amount received.
- 25 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, August 17, 2017, i.e. \$22.00. This amount does not constitute a cash amount received.
- 26 This amount includes an increase of \$4,107 further to adjustments made in 2018.
- 27 This amount includes a reduction of \$11,595 further to adjustments made in 2017.
- 28 This amount allocated to Mr. Girardin represents a special bonus for his tireless efforts in the acquisition of the total economic interest of Enercon Canada inc. in the Niagara Region 230 MW wind farm.
- 29 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, i.e. \$19.04 for the August 20, 2018 grant and \$17.39 for the November 19, 2018 grant. This amount does not constitute a cash amount received.
- 30 Mr. Hurtubise was appointed Vice President, Chief Legal Officer and Corporate Secretary effective June 26, 2017.
- 31 Represents an amount equal to the number of PSUs granted multiplied by the average closing price of the Corporation's Class A shares on the TSX for the 5 trading days immediately preceding the grant date, August 17, 2017, i.e. \$22.00. This amount does not constitute a cash amount received.
- 32 This amount includes an increase of \$3,744 further to adjustments made in 2018.
- 33 Mr. Hurtubise was appointed Vice President, Legal Affairs, North America effective November 1, 2016.
- 34 This amount includes a reduction of \$7,710 further to adjustments made in 2017.
- 35 This amount allocated to Mr. Hurtubise represents a special bonus for his tireless efforts in the acquisition of the total economic interest of Enercon Canada inc. in the Niagara Region 230 MW wind farm.

## 5.4 Incentive Plan Awards

### Outstanding Option-Based or Share-Based Awards

The following table shows all outstanding option-based awards for each named executive officer for the financial year ending December 31, 2018:

Name	Option-based awards			
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money Options <sup>1</sup> (\$)
Patrick Lemaire	58,500	9.20	May 9, 2020	446,940
	64,694	8.50	May 9, 2021	539,548
	71,043	7.96	May 7, 2022	630,862
	56,292	10.29	May 6, 2023	368,713
	45,718	12.90	May 5, 2024	180,129
	43,371	13.87	May 4, 2025	128,812
	36,942	16.65	May 9, 2026	7,019
	14,364	22.00	Aug. 16, 2027	–
	16,597	19.04	Aug. 19, 2028	–
	454	17.39	Nov. 18, 2028	–
Jean-François Thibodeau	24,536	10.29	May 6, 2023	160,711
	19,880	12.90	May 5, 2024	78,327
	18,860	13.87	May 4, 2025	56,014
	16,025	16.65	May 9, 2026	3,045
	6,185	22.00	Aug. 16, 2027	–
	7,147	19.04	Aug. 19, 2028	–
	196	17.39	Nov. 18, 2028	–
Patrick Decostre	10,750	10.29	May 6, 2023	70,413
	10,072	12.90	May 5, 2024	39,684
	8,671	13.87	May 4, 2025	25,753
	8,479	16.65	May 9, 2026	1,611
	2,292	22.00	Aug. 16, 2027	–
	3,946	19.04	Aug. 19, 2028	–
	1,530	17.39	Nov. 18, 2028	–
Hugues Girardin	7,039	12.90	May 5, 2024	27,734
	6,940	13.87	May 4, 2025	20,612
	7,285	16.65	May 9, 2026	1,384
	2,894	22.00	Aug. 16, 2027	–
	3,344	19.04	Aug. 19, 2028	–
	183	17.39	Nov. 18, 2028	–
Pascal Hurtubise	2,068	22.00	Aug. 16, 2027	–
	2,390	19.04	Aug. 19, 2028	–
	262	17.39	Nov. 18, 2028	–

<sup>1</sup> The value of unexercised in-the-money options at financial year-end is the difference between the closing price of the Class A shares of the Corporation on December 31, 2018 on the Toronto Stock Exchange (\$16.84) and the exercise price. This value has not been, and may never be, realized. The actual realized gains, if any, on exercise will depend on the value of the Class A shares of the Corporation on the date of option exercise.

Name	Share-based awards			
	Unvested shares or units (#)	Performance cycle	Market or payout value of share-based awards that have not vested <sup>1</sup> (\$)	Market or payout value of vested share-based awards not paid or distributed <sup>2</sup> (\$)
Patrick Lemaire	5,746	January 1, 2017 to December 31, 2019	96,763	–
	6,639	January 1, 2018 to December 31, 2020	111,801	–
	182	January 1, 2018 to December 31, 2020	3,065	–
Jean-François Thibodeau	2,474	January 1, 2017 to December 31, 2019	41,662	–
	2,859	January 1, 2018 to December 31, 2020	48,146	–
	78	January 1, 2018 to December 31, 2020	1,314	–
Patrick Decostre	917	January 1, 2017 to December 31, 2019	15,442	–
	1,578	January 1, 2018 to December 31, 2020	26,574	–
	112	January 1, 2018 to December 31, 2020	1,886	–
Hugues Girardin	1,158	January 1, 2017 to December 31, 2019	27,213	–
	1,338	January 1, 2018 to December 31, 2020	22,532	–
	73	January 1, 2018 to December 31, 2020	1,229	–
Pascal Hurtubise	827	January 1, 2017 to December 31, 2019	13,927	–
	956	January 1, 2018 to December 31, 2020	16,099	–
	105	January 1, 2018 to December 31, 2020	1,768	–

<sup>1</sup> The value of unvested PSUs was calculated assuming a percentile ranking of total shareholder return equal to the median of the peer group, i.e. assuming the PSUs will be fully vested. This value has not been, and may never be, realized.

## Incentive Plan Awards

The following table indicates the value vested or the value earned by the named executive officers under the incentive plans of the Corporation during the year ended December 31, 2018.

Name	Option-based awards	Share-based awards	Non-equity incentive plan compensation – Value earned during the year <sup>2</sup> (\$)
	Value vested during the year <sup>1</sup> (\$)	Value vested during the year (\$)	
Patrick Lemaire	283,437	–	587,095
Jean-François Thibodeau	100,328	–	374,191
Patrick Decostre	49,698	–	236,529 <sup>3</sup>
Hugues Girardin	38,159	–	187,040
Pascal Hurtubise	0	–	145,010

<sup>1</sup> Value of gains that could have been made on the options granted under the Long-Term Incentive Plan whose rights have been acquired during the year ended December 31, 2018. These awards all vest over four years at 25% per year following the year of the grant, on a cumulative basis. Unexercised options expire 10 years after the date of grant. See "Option Plan" on page 37 of this Circular. Gains that could have been made are calculated by determining the difference between the closing price of Class A shares for each date of acquisition of option grants in 2018 and the exercise price. This value has not been, and may never be, realized. Any actual gain realized, if any, will depend on the value of Class A shares of the Corporation at the date of the exercise of the Options.

<sup>2</sup> See Section 5.3 "Summary Compensation Table" on page 33 of this Circular.

<sup>3</sup> This amount was paid in euros and was converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada on December 31, 2018, rounded to C\$1.53/€1.00.

The following table presents the depletion rate of options and PSUs:

	2018	2017	2016
Option expiration rate	0.05%	0.05%	0.14%
PSU depletion rate	0.02%	0.02%	n/a

## Option Plan

Pursuant to the terms and conditions of the Option Plan, the Corporation may grant options to purchase its Class A shares, each such option to have an exercise price equal to the prevailing Market Price (as defined below). In compliance with sections 613(d) and (g) of the rules of the Toronto Stock Exchange (the "TSX"), disclosure of the following information is provided to shareholders as at March 11, 2019:

- Eligible participants under the Option Plan are senior executives and key employees of the Corporation or its subsidiaries.
- The total number of Class A shares of the Corporation that may be issued under the Option Plan is 4,500,000, or 5.0% of the issued and outstanding Class A shares as at March 11, 2019. Of these, 2,583,846 shares were issued following the exercise of options and 1,916,154 are reserved for future issuance. The number of outstanding options granted under the Option Plan is 605,065, or approximately 0.7% of the total number of outstanding shares of the Corporation as at March 11, 2019. Any option which has expired may nevertheless be subject to future options granted under the Option Plan.
- During the fiscal year ended December 31, 2018, the Corporation granted executive officers a total of 45,232 options representing 0.05% of the aggregate number of Class A shares outstanding as at December 31, 2018, and 117,591 options were exercised.
- The aggregate number of Class A shares of the Corporation which may be reserved for issuance to insiders of the Corporation at any time under the Long-Term Incentive Plan and any other equity-based compensation plan of the Corporation is limited to 10% of the aggregate number of outstanding Class A shares of the Corporation. The aggregate number of Class A shares of the Corporation issued to insiders of the Corporation within any one-year period under the Long-Term Incentive Plan and any other equity-based compensation plan of the Corporation is limited to 10% of the aggregate number of outstanding Class A shares of the Corporation.
- The exercise price of each option is equal to the prevailing market price of the Class A shares. The "Market Price" is established based on the average closing price of the Class A shares on the TSX for the five trading days immediately preceding the grant date. If the grant date of an option occurs during a blackout period or within the five (5) trading days following the end of a blackout period, the grant date shall be deemed to occur on the sixth (6<sup>th</sup>) trading day following the end of the blackout period.
- At its meeting on March 2, 2017, in accordance with the recommendation of its Human Resources Committee, Boralex's Board of Directors approved certain amendments of a housekeeping nature to the Option Plan, including (1) specifying that the Human Resources Committee may amend the terms and conditions of the Plan applicable in case of termination of employment, death or retirement of a participant, provided such an amendment does not in any way adversely affect the vested rights of a participant as regards options granted prior to the date of the amendment; (2) changing the name of the Option Plan to "Long-Term Incentive Plan" and other amendments to reflect the creation of PSUs which will be governed by the same plan.
- The Board sets the terms and conditions to grant and exercise options (which may vary between options). Pursuant to the conditions governing the exercise of options granted since May 2004, a holder of such options may exercise up to 25% of said options per year, on a cumulative basis, as of the first anniversary of the grant date.
- Each option, unless terminated earlier, expires at the date determined by the Board at the time of the grant of such option, but in any event, no later than 10 years after the date of such grant. However, if the expiration date of an option occurs during a blackout period or within 10 business days before a blackout period imposed by the Corporation, this expiry date will automatically be extended by 10 business days after the end of the blackout period.
- If the employment of an option holder ceases for any reason whatsoever, including death or permanent disability, but excluding a dismissal for cause, the option holder or his heirs have three months from the date of termination to exercise vested options, unless the Board decides otherwise. A change of employment with the Corporation or its subsidiaries has no impact on the options.
- Options cannot be assigned.
- In case of (1) a merger, amalgamation, consolidation, reorganization or arrangement of the Corporation with or into another corporation (other than a merger, amalgamation, consolidation, a reorganization or arrangement of the Corporation with one or more of its related entities), (2) the acquisition of all or substantially all of the outstanding shares by way of a take-over bid, (3) the sale of all or substantially all of the Corporation's assets or (4) any other acquisition of the Corporation's business as determined by the Board (each a "Corporate Event"), the Board may in its sole discretion (but subject to obtaining the prior approval of the TSX, if required by rules, regulations and policies of the TSX) and without any action or consent of the participants, take all action or combinations of measures described in the Option Plan in respect of options, including, without limitation (1) the continuation or assumption of outstanding options by the acquirer, (2) the substitution of options for options and/or shares and/or other securities of the acquirer, (3) the substitution of options with cash incentive program of the acquirer or (4) the acceleration of the vesting and the right to exercise such options at a date prior to or on the date of the Corporate Event.
- Any modification to the Option Plan or to any options that have been granted but not exercised must be made in accordance with the rules and policies of the TSX and is subject to all required approvals.

- In addition, the Board may not, without shareholder approval, make the following amendments to the Option Plan, including: (i) increasing the maximum number of shares issuable; (ii) any amendment to the method of determining the option price of any option granted under the Option Plan; (iii) any extension beyond the original expiry date of an option held by an option holder (unless it is the extension of 10 business days after a black-out period); and (iv) the addition of any form of financial assistance or alteration of a provision regarding financial assistance that would make it more beneficial to the Option Plan participants.
- Subject to obtaining the prior approval of the TSX in the case of amendments to the options, where required by the rules of the TSX, other than those described in the above paragraph, the Corporation may make any other amendment to the Plan that it considers appropriate without shareholder approval pursuant to the detailed amendment provision of the Plan, including, without limiting the generality of the foregoing: (1) amendments in connection with the splitting, consolidation or reclassification of shares or the payment of a share dividend by the Corporation (except in the normal course) or any other change in its share capital; (2) amendments of a housekeeping nature or amendments to clarify the terms and conditions of the Plan; (3) amendments to the eligibility criteria or the mode of administration of the Plan; (4) amendments to the granting or exercise provisions of the options; (5) any amendment required or useful to ensure compliance of the Plan with the laws, rules and regulations of government agencies, departments, organisations or authorities and the rules of the TSX; (6) amendments to suspend or terminate the Plan.
- The Corporation does not provide financial assistance to participants of the Option Plan in order to enable them to acquire Class A shares of the Corporation.

## Share Purchase Plan

The Corporation offers its Canadian employees, including named executive officers and directors, a Class A share purchase plan. The maximum percentage of the base salary which executive officers may contribute, on a voluntary basis, is 10%. To the extent certain criteria is met, the Corporation matches 25% of the executive officer's contribution. As for the directors, they may, on a voluntary basis, contribute up to a maximum of 5% of their fees without any contribution by the Corporation.

## Information on Equity Based Compensation Plans

The table below sets out, as of December 31, 2018, certain information concerning the Corporation's Long-Term Incentive Plan, the Corporation's only compensation plan pursuant to which equity securities of the Corporation may be issued. A description of the Long-Term Incentive Plan is given on page 29 of this circular.

Plan Category	Number of Shares to be Issued on the Exercise of Outstanding Options, Warrants or Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Shares Remaining to be Issued under Equity Based Compensation Plans (Excluding the Shares in the First Column)
Equity Based Compensation Plans Approved by Securityholders	605,065	12.61	1,311,089
Equity Based Compensation Plans Not Approved by Securityholders	None	–	None
<b>TOTAL</b>	<b>605,065</b>	<b>12.61</b>	<b>1,311,089</b>



## 5.5 Group Retirement Savings Plan

The following table presents the accumulated value of the named executive officers group retirement savings plan for the financial year ended December 31, 2018:

Name	Accumulated value at start of year (\$)	Compensatory Amount (\$)	Accumulated value at year-end (\$)
Patrick Lemaire	549,583	59,566	589,277
Jean-François Thibodeau	420,078	26,593	434,240
Patrick Decostre	111,648 <sup>1</sup>	13,591 <sup>1</sup>	128,589 <sup>1</sup>
Hugues Girardin	590,734	21,473	596,513
Pascal Hurtubise	185,364	15,073	197,196

<sup>1</sup> The savings plan in the jurisdiction of France of Patrick Decostre differs from the savings plan the Corporation offers to its Canadian employees. The Corporation pays 2.5% of the employee's annual gross salary into a non-discretionary supplemental savings plan. These amounts were paid in euros and converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada on December 31, 2018, rounded to C\$1.53/€1.00.

## 5.6 Termination and Change of Control Benefits

The contracts of employment with each of the named executive officers are for an indeterminate term and provide for obligations of confidentiality that apply indefinitely. All the contracts of employment of the named executive officers also contain clauses restricting competition and solicitation during employment and for a period of 12 months following termination of employment (24 months in the case of the President and Chief Executive Officer).

The Corporation may terminate a named executive officer's contract of employment at any time for serious grounds without prior notice. It may also terminate an executive officer's employment at its discretion. A named executive officer may also terminate his or her contract of employment at any time upon prior written notice of 45 days.

If dismissed on serious grounds, the named executive officer is not entitled to any payment other than the sums which the Corporation must pay him or her under the law, in particular, any salary earned and unpaid on the termination date, any amount owing under the short-term incentive plan and all accumulated and unpaid vacation time.

If the Corporation terminates the employment of a named executive officer at its discretion and other than for serious grounds, he or she is entitled to:

- any salary earned and unpaid on the employment termination date;
- an indemnity equal to (i) 6 months of the base salary in effect on the employment termination date (12 months in the case of the President and Chief Executive Officer), plus (ii) 1 month per year of service, the whole up to a maximum total of 24 months (the "**Severance Period**");
- in the case of the Vice President and General Manager, Boralex Europe, the foregoing indemnity is replaced with an indemnity equal to (i) 1 month of base salary in effect on the employment termination date, plus (ii) 1 month per year of service, the whole up to a maximum total of 24 months, and (iii) an indemnity equal to 50% of the base salary in effect on the employment termination date;
- a lump sum cash payment equal to (i) 6 months of the short-term incentive plan (12 months in the case

of the President and Chief Executive Officer), plus ii) 1 month per year of service up to a maximum total of 24 months. The payment will be calculated using the average of the sums paid to the executive officer under such plan during the 36 months preceding the employment termination date;

- an amount representing any additional bonus earned and unpaid on the employment termination date, including any amount owed under the short-term incentive plan since the first payment under that plan during the year in question. The payment will be calculated pro rata to the number of days between the reference date of July 1<sup>st</sup> and the employment termination date. It assumes that the actual available cash flows for the year will be equal to the budgeted available cash flows for the said year;
- the continuation of the medical, dental and life insurance coverage under the group insurance plan for a period equal to the Severance Period, starting on the employment termination date and ending at the end of the Severance Period or until such date on which the named executive officer commences new employment or engages in another gainful activity, whichever event occurs first;
- exercise the stock options vested on the termination date and be paid the share units that have vested but are unpaid on the employment termination date in accordance with the terms and conditions of the Long-term Incentive Plan;
- use the Corporation's vehicle in his or her possession for a period of 1 month (24 months in the case of the President and Chief Executive Officer) following the termination date or until the date on which the named executive officer commences new employment or engages in another gainful activity, whichever event occurs first;
- executive placement consulting services for a period of 12 months paid by the Corporation.

If the Corporation terminates the employment of a named executive officer (including constructive dismissal) within 30 days of a Change of Control of the Corporation, he or she is entitled to all benefits described above in case of termination at the Corporation's discretion other than for serious grounds, provided that

the Severance Period will be (i) 12 months of base salary instead of 6 (18 months in the case of the President and Chief Executive Officer), plus (ii) 1 month per year of service up to a maximum total of 24 months.

**"Change of Control of the Corporation"** means the occurrence of any one of the following, resulting from any one or a series of related transactions:

- a person or entity or a group of related persons or entities acting jointly or in concert become the beneficiaries, directly or indirectly, of fifty percent (50%) or more of the issued and outstanding securities of the Corporation giving control over the Corporation; or
- the Corporation sells all or substantially all of its assets; or
- the shareholders of the Corporation approve a plan or a proposal for the winding-up or dissolution of the Corporation.

Should the President and Chief Executive Officer retire, resign or otherwise voluntarily terminate his employment, provided he remains available to assist the Corporation on an ad hoc basis on specific mandates as reasonably required by the Board of the Corporation for 24 months following the termination of his employment, he shall be entitled to:

- any salary earned and unpaid on the employment termination date;
- an employment severance pay equal to 24 months of salary in effect on the termination date;
- in the case of the Vice President and General Manager, Boralex Europe, the foregoing indemnity is replaced with an indemnity equal to (i) 1 month of base salary in effect on the employment termination date, plus (ii) 1 month per year of service, the whole up to a maximum total of 24 months, and (iii) an indemnity equal to 50% of the base salary in effect on the employment termination date;
- a lump sum cash payment equal to 24 months of the short-term incentive plan. The payment will be calculated using the average amounts paid to the President and Chief Executive Officer under that plan during the 36 months preceding the employment termination date;
- an amount representing any additional bonus earned and unpaid on the employment termination date, including any amount owed under the short-term incentive plan since the first payment under that plan during the year in question. The payment will be calculated pro rata to the number of days between the reference date of July 1<sup>st</sup> and the employment termination date and assume that the actual available cash flows for the year will be equal to the budgeted available cash flows for the said year;

- the continuation of the medical, dental and life insurance coverage under the group insurance plan for a period of 24 months, starting on the employment termination date and ending at the end of said period or until such date on which the President and Chief Executive Officer commences new employment or engages in another gainful activity, whichever event occurs first;
- exercise the stock options vested on the termination date and be paid the share units that have vested but are unpaid on the termination date in accordance with the terms and conditions of the Long-term Incentive Plan;
- use the Corporation's vehicle in his possession for a period of 24 months following the termination date or until the date on which the President and Chief Executive Officer commences new employment or engages in another gainful activity, whichever event occurs first.

In the event the employment of the President and Chief Executive Officer ends owing to his death, his succession is entitled to the benefits described above in case of retirement, resignation or other voluntary termination, except for maintenance of the insurance coverage. In the event the employment of any other named executive officer ends owing to his or her death, his or her succession is entitled to:

- any salary earned and unpaid upon death;
- an amount representing any additional bonus earned and unpaid upon death, including any amount owed under the short-term incentive plan since the first payment under that plan during the year in question. The payment will be calculated pro rata to the number of days between the reference date of July 1<sup>st</sup> and the employment termination date and assume that the actual available cash flows for the year will be equal to the budgeted available cash flows for the said year; and
- exercise the stock options vested upon death and be paid the share units that have vested but are unpaid on the termination date in accordance with the terms and conditions of the Long-term Incentive Plan.

The following table sets out the estimated cash amount owed to each named executive officer with an employment agreement as of the date of this Circular, and all other benefits to which they would be entitled if the Corporation had terminated their employment at its discretion as of December 31, 2018 other than for serious grounds:

	Termination other than for serious grounds				Termination following a Change of Control of the Corporation			
	Cash payment for base salary (\$) <sup>1</sup>	Cash payment for short-term incentive plan (\$) <sup>2</sup>	Other benefits (\$) <sup>3</sup>	Total value (\$)	Cash payment for base salary (\$) <sup>1</sup>	Cash payment for short-term incentive plan (\$) <sup>2</sup>	Other benefits (\$) <sup>3</sup>	Total value (\$)
Patrick Lemaire <sup>4</sup>	863,746	1,120,916	14,375	1,999,037	863,746	1,120,916	14,375	1,999,037
Jean-François Thibodeau	493,668	623,1513	12,356	1,129,174	557,918	704,253	13,777	1,275,948
Patrick Decostre <sup>5</sup>	248,284	229,994	85,897 <sup>6</sup>	634,674	248,784	308,601	87,645 <sup>6</sup>	645,030
Hugues Girardin	445,732	352,766	13,157	811,655	445,732	352,766	13,157	811,655
Pascal Hurtubise	326,473	300,405	10,166	637,043	400,400	368,429	12,306	781,135

- 1 Determined according to the base salary of the named executive officer for the fiscal year ended December 31, 2018 and the number of years of service as of December 31, 2018.
- 2 Determined based on the product: (i) of the number of months included in the Severance Period; and (ii) of the average amount of the bonus that was paid to him or her under the short-term incentive plan during the 36 months preceding the termination date, calculated on a monthly basis.
- 3 Estimated cost of maintaining the group insurance and benefits provided for in the contract of employment during the Severance Period.
- 4 Mr. Patrick Lemaire, President and Chief Executive Officer, will also receive the amounts shown above in case of death, voluntary termination, resignation or retirement provided he remains available to assist the Corporation on an ad hoc basis on specific mandates as reasonably required by the Board of the Corporation within 24 months following the termination of his employment.
- 5 These amounts were paid in euros and converted into Canadian dollars at the weighted average rate of exchange of the Bank of Canada on December 31, 2018, rounded to C\$1.53/€1.00.
- 6 Includes an indemnity equal to 50% of the base salary of Mr. Decostre to compensate, pursuant to French legislation and regulations, the existence of a non-competition clause in his employment agreement. The indemnity payable in cash in connection with Mr. Decostre's base salary is less than for the other executives so as to ensure fairness in the application of their respective indemnity plans.

## 5.7 Policy respecting the recovery of compensation paid to executives

On December 14, 2017, the Board of Directors adopted a policy respecting the recovery of compensation paid to executives affecting future grants which will be made under the Corporation's short-term incentive plan and Long-term Incentive Plan after December 31, 2017. The policy, which applies to all executives, provides that the Board has complete discretion, insofar as applicable laws allow and the Board considers it in the Corporation's best interests to do so, to require under certain circumstances the full or partial reimbursement of the annual incentive compensation paid to an executive. The Board may ask an executive or former executive to reimburse all or part of his or her incentive compensation when the following conditions are met:

- a) The incentive compensation was calculated based on or subject to certain financial results of Boralex which were subsequently changed due to the reworking of all or part of its financial statements;
- b) The executive committed a gross or deliberate fault or fraud which required the reworking of the financial statements; and
- c) The incentive compensation which would have been allocated to the executive or the benefit he or she would have received would have been less than what he or she actually received if the financial results had been properly stated.

The recovery policy does not limit Boralex's right to take other steps allowed by applicable laws regarding its employees, including dismissal.

# Part 6 - Statement of Corporate Governance Practices

Governance is the process and structure the Corporation uses to manage and direct its business affairs and activities in order to reach its objectives. The shareholders elect the directors who are responsible for overseeing the operations of the Corporation and the management of its business in accordance with their fiduciary duties.

The Nominating and Corporate Governance Committee assists the Board of Directors in supervising the development of corporate governance policies and practices of the Corporation and to assess the efficiency of the Board and its committees as well as the contribution by each director. The Nominating and Corporate Governance Committee strives to comply with the highest corporate governance standards by monitoring all changes made to corporate governance practices and regulatory requirements and by regularly assessing the corporate governance policies and practices of the Corporation. The role, mandate and rules of operation of the Board of Directors and its committees are set out in the Corporation's Governance Manual, which was officially approved by the Board on August 7, 2012 and was last amended on March 2, 2017. Boralex's Governance Manual is available on the Corporation's website at [www.boralex.com](http://www.boralex.com) under Profile/Governance.

In 2005, the Canadian Securities Administrators adopted National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**") and National Policy 58-201 - Corporate Governance Guidelines (the "**Governance Policy**"). The Governance Policy provides guidance on governance practices to Canadian issuers, while NI 58-101 requires issuers to make prescribed disclosure regarding their own governance practices.

## 6.1 Board of Directors

### Role of the Board of Directors

The Board's role is to oversee, control and assess the management of Boralex's business activities and internal affairs in the paramount interests of the Corporation and its shareholders. Management's role is to direct Boralex's daily activities in order to meet this objective. The Board assumes the duties and responsibilities outlined in detail in its written mandate which is reviewed annually by the Nominating and Corporate Governance Committee and approved by the Board. See Schedule A of this Circular for the mandate. The Board assumes its duties and responsibilities directly or through four standing committees. Within the framework of its managerial responsibilities, the Board shares its opinion on important business issues with management and is responsible, among other things, for the following main aspects:

#### Strategic planning

The Corporation's management team reviews Boralex's strategic orientation on a yearly basis. This helps to identify opportunities and risks and to establish long-term capital planning. The Board reviews and approves the strategic planning every year.

#### Succession planning

One of the main responsibilities of the Human Resources Committee is to make sure that a detailed succession plan for executive officers is in place. To do this, members of the Human Resources Committee meet at least once a year with the President and Chief Executive Officer to review and update the succession plan regarding executive officers, including the President and Chief Executive Officer.

#### Risk oversight

The Board is responsible for ensuring that a process to identify and assess the main risks associated with Boralex's activities is in place and to oversee the implementation of appropriate risk management systems. The objective of these processes is to reduce but not eliminate the risks. Generally, a significant risk means that an event could possibly occur that might have an adverse effect on the Corporation's financial position, activities or reputation. Boralex's significant risks were identified and a risk oversight program was developed. The oversight of certain risks by this program was delegated to certain Board committees to ensure that these risks are handled with the utmost expertise, appropriate attention and diligence. The committees notify the Board of their work in this respect in the normal course of business.

**Processes were implemented to enable the Board to identify and monitor Boralex's main risks**

## Standing Committees of the Board of Directors

The Board of Directors has five standing committees: the Audit Committee, Nominating and Corporate Governance Committee, Human Resources Committee, Environment, Health and Safety Committee and Investment and Risk Management Committee. It is up to the Chair of the Board, in conjunction with the Nominating and Corporate Governance Committee, to recommend to the Board the members and chairs of the different committees. The members of each committee are selected according to their skills and abilities so that the committees are able to properly discharge the responsibilities entrusted to them by the Board. The committees are comprised solely of independent directors. In addition, all the members of the Audit Committee meet the most stringent requirements regarding the independence of audit committee members pursuant to *Regulation 52-110 respecting Audit Committees*. Also, in 2018, no member of the Audit Committee accepted, directly or indirectly, any remuneration for consulting or advisory services or remuneration from Boralex other than his or her compensation as director. For each of these committees, the Board has adopted a mandate that outlines their roles and responsibilities. The Board reviews the wording of these mandates on a yearly basis. The text of the Audit Committee mandate is attached as Schedule A to Boralex's Annual Information Form for the fiscal year ended December 31, 2018 which may be consulted on Boralex's Website at [www.boralex.com](http://www.boralex.com) or on SEDAR at [www.sedar.com](http://www.sedar.com). A summary of the mandate of each committee is presented below. The Board has also prepared a written position description for the chair of each committee. The responsibilities of the chair of each Board committee appear in Schedule F to this Circular.

Audit Committee	Nominating and Corporate Governance Committee	Human Resources Committee	Environment, Health and Safety Committee	Investment and Risk Management Committee
The mandate of the Audit Committee is to help the Board of Directors oversee:	The mandate of the Nominating and Corporate Governance Committee is to help the Board of Directors oversee:	The mandate of the Human Resources Committee is to help the Board of Directors oversee:	The mandate of the Environment, Health and Safety Committee is to help the Board of Directors oversee:	The mandate of the Investment and Risk Management Committee is to help the Board of Directors oversee:
<ul style="list-style-type: none"> <li>the quality and integrity of Boralex's financial statements and related information</li> <li>Boralex's compliance with the applicable requirements provided by law and regulations</li> <li>the auditor's independence, qualifications and appointment</li> <li>the auditor's performance</li> <li>compliance with the internal and financial control systems developed by Boralex</li> </ul>	<ul style="list-style-type: none"> <li>the development and implementation of Boralex's governance guidelines</li> <li>the identification of individuals having the requisite skills to become members of the Board</li> <li>the composition of the Board of Directors and its committees</li> <li>the development of a process to assess the Board, the directors and the Board's committees and ensure its enforcement</li> <li>the adoption of policies on the conduct of business, ethics, training of directors and other matters</li> </ul>	<ul style="list-style-type: none"> <li>the compensation, appointment and assessment of executive officers</li> <li>the succession planning of executive officers</li> <li>the review and recommendation of the compensation to be paid to directors of Boralex</li> </ul>	<ul style="list-style-type: none"> <li>the development and enforcement of environmental, health and safety policies, procedures and guidelines</li> <li>the assessment of environmental, health and safety practices</li> </ul>	<ul style="list-style-type: none"> <li>the investment strategies, transactions and proposed transactions to ensure they are in line with the strategic plan</li> <li>the management of risks and resources related to investment strategies, transactions and proposed transactions</li> <li>reporting on the implementation of investment strategies and on the retrospective analysis of transactions and proposed transactions</li> </ul>

# Director independence

The Nominating and Corporate Governance Committee and the Board annually examine the independence of each director within the meaning of NI 58-101 that refers to the definition of "independence" set out under section 1.4 of *Regulation 52-110 respecting Audit Committees*. "An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer". That includes a relationship which, in the opinion of the Board, could reasonably interfere with the exercise of a director's independent judgment. To determine if a director is independent, the Board relies on the information provided by the directors regarding their personal and professional situation. The Board is of the opinion that 10 of the 11 nominees proposed by management for election to the Board of Directors are independent.

10 of the 11 nominees for election as directors are independent

The non-independent nominee is:

Name	Reason for non-independence
P. Lemaire	President and Chief Executive Officer of the Corporation as well as director and shareholder of R.S.P. Énergie Inc., a corporation whose assets are managed by Boralex under a management contract.

# Chair of the Board

The Board has prepared a written position description for the Chair of the Board. See Schedule G to this Circular for the responsibilities of the Chair.

# President and Chief Executive Officer

The Board has prepared a written position description for the President and Chief Executive Officer. See Schedule H to this Circular for the responsibilities of the President and Chief Executive Officer.

# Closed-door meeting

In 2018, the independent directors met systematically without the presence of non-independent directors and members of management after each regular meeting of the Board of Directors. These meetings were chaired by the Chair of the Board. During the fiscal year ended December 31, 2018, the independent directors held 8 closed-door meetings. In addition, a special closed-door meeting, reserved exclusively for independent directors, is also held at least once a year.

A closed-door meeting of independent directors follows each meeting of the Board of Directors

Alain Rhéaume, an independent director, has been Chair of the Board of Directors since March 9, 2017. Mr. Rhéaume chairs the meetings of the independent directors so that the Corporation no longer has a lead director.

Moreover, committees of the Board of Directors are entirely composed of independent directors and they all meet on a regular basis without the presence of members of management.



## Attendance at Board and standing committee meetings

The following table presents the record of the directors' attendance at meetings of the Board and of its standing committees as well as the number of Board and standing committee meetings held during the fiscal year ended December 31, 2018.

Name	Board meetings	Audit Committee	Nominating and Corporate Governance Committee	Environment, Health and Safety Committee	Human Resources Committee	Total
Lise Croteau <sup>1</sup>	9/9	4/4	–	–	–	100%
Ghyslain Deschamps <sup>2</sup>	8/9	–	–	2/2	–	91%
A. Ducharme	12/12	–	–	4/4	8/8	100%
M. Giguère	10/12	–	5/6	4/4	–	86%
E. H. Kernaghan	10/12	–	6/6	–	–	89%
P. Lemaire	12/12	–	–	–	–	100%
Y. Rheault	10/12	–	–	2/2	8/8	91%
A. Rhéaume	12/12	2/2	–	–	2/2	100%
M. Samson-Doel	12/12	5/5	3/4	–	7/8	93%
P. Seccareccia	12/12	5/5	–	–	–	100%
D. St-Pierre	12/12	–	6/6	4/4	–	100%
TOTAL	94%	100%	91%	100%	96%	95%

<sup>1</sup> Ms. Lise Croteau was elected as a director of Boralex on May 9, 2018.

<sup>2</sup> Mr. Ghyslain Deschamps was elected as a director of Boralex on May 9, 2018.

## 6.2 Ethical business conduct

### Code of Ethics

In 2018, in order to continue promoting an ethical business culture, the Board of Directors reviewed and updated the Code of Ethics that clearly outlines the Corporation's mission and values. The Code of Ethics which applies to the Corporation's directors, officers, employees and consultants sets out the general principles that govern acceptable conduct in all the relationships they maintain toward one another, customers, suppliers, providers, partners and communities where the Corporation does business. The Code of Ethics is available on the Corporation's Website at [www.boralex.com](http://www.boralex.com) and on the SEDAR Website at [www.sedar.com](http://www.sedar.com).

The Corporation also implemented a mandatory training program. In 2014, all North American directors, officers, employees and consultants answered an e-form test questionnaire. This test questionnaire is completed by employees every three years, on a rotating basis. Moreover, all new employees and consultants must take this training when hired. As part of this program, employees must fill out the test questionnaire and achieve a minimum score of 76%, otherwise they are required to do the test questionnaire again. After three failures, an employee must meet his or her supervisor so the supervisor can ensure the employee has a good understanding of the code of ethics.

Furthermore, a confidential reporting mechanism is in place in order to allow the disclosure of any conduct breaching the Code of Ethics without any fear of reprisals. The mechanism chosen by the Corporation is an ethics telephone line accessible 24 hours a day, 7 days a week. Pursuant to the complaint-handling procedure, all complaints received are communicated to the individual designated by the Corporation and to the chair of the Audit Committee.

In 2018, all the directors and named executive officers confirmed that they would abide by and comply with Boralex's Code of Ethics. The Board has not exempted any director or executive officer from complying with the Code of Ethics. Accordingly, no material change report has been filed in this respect.

The directors are informed of their obligation to disclose conflicts of interest and the Board ensures that no director takes part in the discussion of a topic with respect to which the director has a material interest or exercises his or her voting right in this respect.

## Procedures to handle complaints regarding accounting, internal accounting controls, audit or any other irregularity of a financial nature.

The Audit Committee has established procedures regarding the receipt, retention and treatment of complaints received by the Corporation about:

- accounting, internal accounting controls, audit and any other irregularity of a financial nature;
- any indication tending to show that an activity might constitute fraud, a deliberate error, a false or misleading statement, or a violation of laws or regulations respecting accounting, internal accounting controls or audit.

## Disclosure policy

The Board adopted a disclosure policy to manage the Corporation's communications with the financial community, the media and the public in general. This policy ensures that the Corporation's communications are timely, exact and widely disseminated in accordance with the laws in effect. The policy establishes guidelines to verify the accuracy and completeness of the information disclosed to the public and other directives on various issues including material information, press releases, telephone conferences, electronic communications and rumours.

## Auditor independence policy

The Audit Committee has implemented an external auditor independence policy which governs all the aspects of Boralex's relationship with its external auditor, including:

- the establishment of a process to determine if various audit and other services rendered by the external auditor compromise its independence;
- the determination of the services which the external auditor may or may not render to the Corporation and its subsidiaries;
- the pre-approval of all services to be provided by the external auditor to the Corporation or its subsidiaries;
- the establishment of rules to be followed when hiring current or former employees of the external auditor in order to ensure that the auditor's independence is maintained.

## 6.3 Selection of directors

### Process

The Board of Directors has established a process which the Chair of the Board and the Nominating and Corporate Governance Committee must adhere to before submitting their recommendation to the Board regarding the selection of candidates for Board nomination. According to this process:

- the Nominating and Corporate Governance Committee, in consultation with the Chair of the Board, determines the skills, abilities and qualities which the members of the Board and of its committees must have in order to understand Boralex's activities and to fulfill their mandate and, if need be, updates the skill set. The Nominating and Corporate Governance Committee draws inspiration from criteria pre-approved by the Board that take into account the skills and abilities which the Board, on the whole, should possess; the skills, abilities and personal qualities of the directors in office; in light of the opportunities available to the Corporation and the risks it incurs, the skills, abilities and personal qualities which new directors must have in order to add value to the Corporation; and the size of the Board with a view to increasing the effectiveness of the decision-making process;
- according to the results of the most recent performance evaluation of the directors and of their skills, abilities and personal qualities, the Nominating and Corporate Governance Committee determines the improvements to be made to the director nomination process;
- according to the necessary improvements determined by the Nominating and Corporate Governance Committee and given the criteria for eligibility to serve on the Board, such as independence and availability, the Nominating and Corporate Governance Committee, in consultation with the Chair of the Board, conducts research to find candidates having the sought-after skills. If need be, the Nominating and Corporate Governance Committee has recourse to external consultants to assist it in identifying candidates.

Further to this process and according to the Nominating and Corporate Governance Committee's recommendations, the Chair of the Board submits, for review and approval by the Board, a list of prospective nominees for election as director of Boralex at the annual shareholders' meeting.



## Advance Notice By-Law

On March 1, 2018, the Board of Directors of the Corporation, upon the recommendation of the Nominating and Corporate Governance Committee, adopted by-law no. 6 relating to the advance notice of nominations of directors of the Corporation (the "**Advance Notice By-Law**"). The Advance Notice By-Law was ratified by the shareholders of the Corporation on May 9, 2018.

The Advance Notice By-Law establishes a framework for advance notice of nominations of directors by shareholders of the Corporation. Among other things, the Advance Notice By-Law sets deadlines by which shareholders must submit a notice of director nominations to the Corporation prior to any annual or special meeting of shareholders where directors are to be elected and sets out the information that a shareholder must include in the notice. The Advance Notice By-Law does not interfere with the ability of shareholders to requisition a meeting or to nominate directors by way of a shareholder proposal in accordance with the *Canada Business Corporations Act*.

To be timely, a shareholder must give a valid notice to the Corporation:

- (i) in the case of an annual meeting of shareholders (including an annual and special meeting), not later than the close of business on the 30<sup>th</sup> day; provided that the meeting must be held at least 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting is made by the Corporation, and not later than the close of business on the 10<sup>th</sup> day following the Notice Date;
- (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting is made by the Corporation.

The Advance Notice By-Law authorizes the chair of the meeting to determine whether a nomination was made in accordance with the procedures set forth in the Advance Notice By-Law and, if any proposed nomination does not comply with the Advance Notice By-Law, to declare that such defective nomination shall be rejected. The Board of Directors may, in its sole discretion, waive any requirement of the Advance Notice By-Law.

## Skill profiles

NAME	AGE			MANDATE WITHIN BORALEX			FOUR CORE SKILLS <sup>1</sup>							
	LESS THAN 60 YEARS	60 – 69 YEARS	70 – 75 YEARS	0 – 5 YEARS OF SERVICE	6 – 10 YEARS OF SERVICE	11 AND MORE YEARS OF SERVICE	RENEWABLE ENERGY	PROJECT MANAGEMENT – INFRASTRUCTURE	MERGERS AND ACQUISITIONS, FINANCING AND FINANCIAL MARKETS	CHIEF EXECUTIVE OFFICER/ SENIOR EXECUTIVE	GOVERNMENTAL AFFAIRS, REGULATION AND ENVIRONMENT	GOVERNANCE AND RISK MANAGEMENT	FINANCIAL INFORMATION	HUMAN RESOURCES AND COMPENSATION
Independent														
A. Courville		√		√					√	√		√	√	
L. Croteau	√			√			√		√		√		√	
G. Deschamps	√			√			√	√			√			√
A. Ducharme		√			√			√	√	√				√
M.-C. Dumas	√			√			√	√				√		√
M. Giguère		√		√					√	√		√		√
E. H. Kernaghan	√					√			√			√	√	√
Y. Rheault			√			√			√	√			√	√
A. Rhéaume		√			√				√	√			√	√
D. St-Pierre	√			√			√		√	√	√			
Not independent														
P. Lemaire	√						√		√	√				√

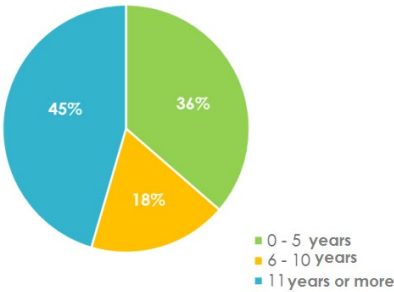
<sup>1</sup> Definition of skills

Renewable energy	Senior management experience or other experience in renewable energy or engineering and related technologies
Project management – Infrastructure	Senior executive experience, responsible for large-scale project management
Mergers and acquisitions, financing and financial markets	Experience in the area of mergers and acquisitions, finance or financial markets in connection with major transactions or projects carried out by large companies
Chief Executive Officer / Senior executive	Experience as chief executive officer or senior executive of a large company or large organization
Governmental affairs, regulation and environment	Experience with the government and relevant governmental bodies concerning or understanding governmental policies or environmental issues in countries where Borealex does business
Governance and risk management	Experience in governance and internal risk controls and/or risk assessment, management, disclosure or understanding
Financial Information	Experience in or understanding of financial accounting, presentation of financial information, corporate financing and understanding controls, Canadian GAAPs, International Financial Reporting Standards
Human resources and compensation	Experience in or understanding of compensation policies and practices, compensation-related risks and succession planning

# Directors' term of office

The policy on the mandate of Boralex's directors sets up a mechanism for Board renewal and director succession to ensure a balance between the benefits of experience and the contribution of new perspectives to the Board, while maintaining the requisite continuity and allowing for the harmonious transition of the duties and responsibilities of the Board and of its committees. The Board's policy on the term of the mandate does not impose any mandatory retirement age, but, as regards the term of the mandates, it establishes that directors who receive positive annual performance evaluations and who are elected every year may serve on the Board for a maximum of 15 years, it being understood that (i) a director who serves on the Board for more than 15 years but less than 20 years on the approval date of this policy may continue to serve on the Board for a maximum of 20 years and ii) the years during which a director was also President and Chief Executive Officer of the Corporation are not counted for the purpose of calculating a director's term of office. The policy exceptionally allows the Board, on a case-by-case basis and on recommendation of the Nominating and Corporate Governance Committee, to authorize a director whose mandate has reached the applicable maximum term, to submit his or her nomination to the Board for two (2) more years.

The following pie chart indicates the term of the mandate of Boralex's directors as at March 11, 2019:



# Diversity Policy

Boralex believes in diversity and values the benefits diversity can bring to its Board of Directors. On March 1, 2018, on the recommendation of the Nominating and Corporate Governance Committee, the Board adopted a Diversity Policy. It provides that the Nominating and Corporate Governance Committee, in charge of recommending potential nominees to the Chair of the Board, will examine nominees on the merits, based on objective criteria and taking into account diversity and the Board's needs, including gender.

The election of Ms. Lise Croteau in 2018 brings the proportion of women on Boralex's Board to 36%.

The Board of Directors is committed to a fair representation of women on the Board. Indeed, amongst all the candidates met during the selection process of the two new directors, the Nominating and Corporate Governance Committee identified a prime nominee, Marie-Claude Dumas. She has advanced expertise in renewable energy.

## 6.4 Orientation and continuing education

The directors have access at all times to an electronic director's handbook. The handbook contains useful information about the Corporation and its business and about the Board and its committees. It contains, in particular, Boralex's Governance Manual which describes the role, mandate and rules of operation of the Board of Directors and its committees, in addition to the various Board-approved policies and procedures – such as the disclosure policy, the insider trading policy, the policy relating to the independence of the external auditor and the procedures for handling complaints.

The Nominating and Corporate Governance Committee has developed an orientation and educational program for new members of the Board. Under this program, the directors meet regularly with management, receive a weekly specialized press review and take part, on occasion, in presentations dealing with a specific business unit or certain facts or new developments. The directors are also invited to visit the Corporation's facilities. The Corporation also encourages directors to attend seminars and other training programs relating to their role as a director at the expense of the Corporation.

## 6.5 Assessment of Board performance

According to the Nominating and Corporate Governance Committee's mandate, with assistance from the Chair of the Board, it is responsible for the yearly assessment of the Board and its committees and the contribution of the directors.

The Nominating and Corporate Governance Committee reviews and approves the corporate governance assessment questionnaire regarding the Board and its committees and the self-assessment form sent to directors. The questionnaire covers a wide range of topics and directors may make comments and suggestions. The chair of the Nominating and Corporate Governance Committee tabulates the answers and suggestions and then conveys the results to the Nominating and Corporate Governance Committee and the Chair of the Board.

Self-assessment is used for assessing the contribution of each director. The Chair of the Board reviews the self-assessment form and contacts each director to discuss it on an individual basis.

A comprehensive report along with suggestions for improving the efficiency of the Board, Board committees and each director, as applicable, is prepared by the Chair of the Board and presented to the full Board of Directors.

## Part 7 - Other Information

### 7.1 Loans to Directors and Executive Officers

As of March 11, 2019, no loans had been granted by the Corporation or any of its subsidiaries to an executive officer, director or Board nominee of the Corporation.

### 7.2 Interest of Informed Persons in Material Transactions

The management of the Corporation is not aware of any material interest, direct or indirect, of any informed person of the Corporation, any proposed director of the Corporation or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect the Corporation or any of its subsidiaries.

### 7.3 Shareholder Proposals

No shareholder proposals were submitted for deliberation at the Meeting. The deadline for the shareholders of the Corporation to present a proposal so that it can be included in the Circular relating to next year's Annual Meeting of the Shareholders is December 12, 2019.

### 7.4 Liability Insurance for Directors and Officers

The Corporation purchased, at its expense, civil liability insurance to cover the directors and officers of the Corporation and its subsidiaries against various claims that could arise in the course of their mandate. This insurance provides coverage in respect of liability claims or the reimbursement of amounts already paid in that respect. The policy includes a deductible for each claim made against the Corporation.

### 7.5 Additional Information

The Corporation is a reporting issuer in Canada and is required to file various documents, including an annual information form and financial statements. Financial information is provided in the Corporation's annual comparative financial statements and management's discussion and analysis for its most recently completed financial year. Copies of these documents and this circular as well as additional information relating to the Corporation are available on the SEDAR website at [www.sedar.com](http://www.sedar.com) and may also be obtained on demand from the Corporate Secretary of the Corporation at its administrative offices at 900 de Maisonneuve Blvd. W., 24<sup>th</sup> Floor, Montreal, Quebec H3A 0A8.

### 7.6 Approval of the Proxy Circular

The content and the sending of this Circular have been approved by the Board of Directors of the Corporation.

By Order of the Board of Directors

(s) Pascal Hurtubise

**Pascal Hurtubise**  
Vice President, Chief Legal Officer  
and Corporate Secretary  
Montreal, Quebec  
March 12, 2019

# Schedule A – Board's Written Mandate

The Board has clearly defined its role and the role of management. The Board's role is to monitor, control and evaluate the management of the business and affairs of the Corporation, in the best interests of Boralex and its shareholders. Management's role is to manage the Corporation's day-to-day activities in order to attain this objective. Management is responsible for preparing and implementing the Corporation's strategic plan, which, however, must first be submitted to the Board for approval.

The Board approves all matters expressly within its jurisdiction hereunder, under the *Canada Business Corporations Act* and any other applicable law, as well as under the Articles and By-laws of the Corporation. The Board may, if permitted by applicable laws, delegate some of its powers to the committees of the Board. Recommendations made by the committees of the Board are generally subject to Board approval.

As part of its stewardship responsibility, the Board advises management on important business matters and has the following responsibilities:

## **A. Strategy**

- Adopt a strategic planning process; approve and review, at least annually, a strategic plan that takes into account, among other things, the opportunities and risks of the business, and monitor the implementation of such plan by management.

## **B. Financial matters, risk management and internal controls**

- Ensure the implementation of appropriate risk assessment systems to identify and manage the principal risks of the Corporation's business;
- Ensure the integrity of the Corporation's internal accounting controls and management information systems;
- Adopt a disclosure policy and regularly review such policy;
- Establish a process for receiving comments from shareholders and other stakeholders of Boralex;
- Approve annual operating and capital budgets, the issuance of securities and any material transactions outside the course of normal business, including i) any acquisition or sale of assets or businesses whose price exceeds \$10 million, ii) any unbudgeted acquisition of tangible assets exceeding \$5 million, iii) any form of debt exceeding \$10 million, and iv) any transaction with a related party;
- Approve annual and interim consolidated financial statements and related reports, including any other documents relating to continuous disclosure required under Canadian Corporate Governance Standards.

## **C. Human resources and succession planning**

- Appoint, evaluate and fix the compensation and conditions of employment of the Corporation's officers taking into consideration the Board's expectations and objectives;
- Ensure Boralex has a process in place that provides for the training, development and retention of corporate officers (succession plan).

## **D. Governance matters**

- Monitor the size and composition of the Board and its committees to favour effective decision-making;
- Approve the Board nominees for election by shareholders and fill Board vacancies;
- Ensure, to the extent possible, that the Chief Executive Officer and other executive officers are ethical and create a culture of integrity within Boralex;
- Develop a vision for governance by adopting, among other things, a set of principles and guidelines on governance, and reviewing, as required, the Corporation's Governance Manual;
- Propose an orientation program for new directors to the Board and offer continuing education for all directors in accordance with the Governance Manual;
- Describe the Board's expectations and the responsibilities of each director with respect to attendance at Board meetings as well as the time and energy to be devoted to them;
- Ensure regular assessment of the performance and effectiveness of the Board, its committees and individual directors, and fix their compensation;
- Take all reasonable steps to ensure the highest level of ethics, including reviewing the Code of Ethics applicable to the directors, officers, staff and consultants of the Corporation, monitor compliance with such Code, approve any waiver of compliance with the Code for directors and officers, and ensure appropriate disclosure of any such waiver in accordance with the provisions of the Code or applicable legal requirements.

#### **E. Environment, health and safety**

- Monitor and review, as the case may be, the Corporation's environmental and health and safety policies and practices.

Board members are expected to act honestly, in good faith and in the best interests of the Corporation in performing their duties and to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board may, from time to time, hire independent advisors and experts to help it perform its duties.

Once a year, the Board reviews the adequacy of its mandate.

## Schedule B – Description of the responsibilities of the chairs of Board committees

The primary role of each committee chair is to take all reasonable steps to ensure the committee fully executes its mandate.

The responsibilities of the committee chair include the following:

### **A. Leadership and effectiveness of the committee**

- Take all reasonable steps to ensure the committee works as a cohesive group and exercise the necessary leadership in this regard;
- Take all reasonable steps to ensure that the resources available to the committee are adequate to support its work;

### **B. Management**

- Preside over committee meetings;
- Set the agenda of committee meetings, in consultation with the Corporate Secretary;
- Adopt procedures allowing the committee to conduct its work effectively and efficiently;
- Take all reasonable steps to ensure that the conduct of committee meetings encourages discussion and provides sufficient time for serious, in-depth discussion of the business under consideration;
- Ensure the committee fully exercises its responsibilities.



# Schedule C – Description of the responsibilities of the Chair of the Board

The Board Chair is a director appointed by the Board. The primary role of the Board Chair is to take all reasonable steps to ensure the Board effectively fulfills its responsibilities and clearly understands and respects the boundaries between Board and management responsibilities.

The responsibilities of the Board Chair include the following:

## **A. Board leadership and effectiveness**

- Take reasonable steps to ensure the Board works as a cohesive group and exercise the necessary leadership in this regard;
- Take reasonable steps to ensure that the resources available to the Board (in particular timely and relevant information) are adequate to support its work.

## **B. Management**

- Preside over Board and shareholder meetings;
- Set the agenda of Board meetings in consultation with the President and Chief Executive Officer and the Corporate Secretary;
- Regularly review with the Nominating and Corporate Governance Committee the size and composition of the Board and its committees to favour effective decision-making;
- Recommend committee chairs to the Board, in consultation with the Nominating and Corporate Governance Committee;
- Take all reasonable steps to ensure that sufficient time is allotted at Board meetings for serious, in-depth discussion of the business under consideration;
- Adopt procedures allowing the Board to conduct its work effectively and efficiently.

## **C. Communication**

- Ensure a constructive relationship between the Board and management by working closely with the President and Chief Executive Officer and the Corporate Secretary to take all reasonable steps to foster a healthy governance culture;
- In consultation with the Nominating and Corporate Governance Committee, develop a skills matrix for Board membership.

# Schedule D – Description of the responsibilities of the President and Chief Executive Officer

The President and Chief Executive Officer is responsible for the direction and management of Boralex in accordance with its by-laws and policies. The President and Chief Executive Officer takes on all responsibilities entrusted to him or her by the Board and represents Boralex to its shareholders, its employees and the public.

The responsibilities of the President and Chief Executive Officer include the following:

## **A. Management and leadership**

- Manage the business and internal affairs of Boralex;
- Demonstrate leadership and vision in managing Boralex, particularly as regards establishing and implementing Boralex's values, mission, strategic priorities and organizational structure;
- Assume responsibility for the recruitment, compensation, performance assessment, leadership development and succession planning of management resources, subject to the approval of the Board when senior management is involved;
- Ensure compliance with Boralex's legal, accounting, ethics, environmental, health and safety policies and, with the Corporate Secretary, ensure that Boralex fully complies with applicable laws and regulations;
- Foster a corporate culture that promotes ethical practices, integrity and a sense of social responsibility.

## **B. Strategy**

- Ensure effective utilization of Boralex's resources to further its strategic objectives.

## **C. Communication**

- Serve as Boralex's key spokesperson by communicating effectively with all stakeholders and ensure that information communicated to the public accurately describes Boralex's position.





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Our thanks to the employees who accepted to appear on the cover page:  
**Van Anh Dang Vu** (Kingsey Falls, Québec),  
**Myriam Savage** (Thetford Mines, Québec) and  
**Ernani Schnorenberger** (Lyon, France).