

TERRAFORM POWER, INC.

BOARD OF DIRECTORS CHARTER

April 30, 2019

1. ROLE OF THE BOARD

The role of the board of directors (the “**Board**”) of TerraForm Power, Inc. (the “**Corporation**”) is to oversee, directly and through its committees, the business and affairs of the Corporation, which are conducted by the Corporation’s officers and employees under the direction of the Chief Executive Officer (“**CEO**”).

2. AUTHORITY AND RESPONSIBILITIES

The Board meets regularly to review reports by management on the Corporation’s performance and other relevant matters of interest. In addition to the general supervision of management, the Board performs the following functions:

- (a) strategic planning – overseeing the strategic-planning process within the Corporation and, at least annually, reviewing, approving and monitoring the strategic plan for the Corporation, including fundamental financial and business strategies and objectives;
- (b) risk assessment – overseeing the assessment of the major risks facing the Corporation and overseeing the manner of managing those risks;
- (c) CEO, CFO and General Counsel – overseeing the selection by the Sponsor of the CEO, Chief Financial Officer (“**CFO**”) and General Counsel and the appointment of such persons as officers of the Corporation;
- (d) succession planning – monitoring the succession of key members of senior management;
- (e) disclosure policy – adopting a disclosure policy for the Corporation that ensures the timeliness and integrity of communications to shareholders, and establishing suitable mechanisms to receive stakeholder views;
- (f) corporate governance – overseeing the Corporation’s approach to corporate governance consistent with the Governance Agreement of the Corporation and the Charters of each of the Nominating and Corporate Governance and Conflicts Committees of the Board;
- (g) internal controls – reviewing and monitoring the controls and procedures within the Corporation to maintain its integrity, including its disclosure controls and procedures, and its internal controls and procedures for financial reporting and compliance;

- (h) environmental, social and governance (“**ESG**”) matters – providing leadership and guidance to the Corporation on ESG matters, including the review and assessment on a periodic basis of the Corporation’s ESG strategies, activities, policies, practices and programs; and
- (i) culture – on an ongoing basis, satisfy itself that the CEO and other executive officers create a culture of compliance throughout the Corporation, including compliance with the Corporation’s Code of Business Conduct and Ethics and its anti-bribery and corruption policies and procedures.

3. COMPOSITION AND PROCEDURES

- (a) Size of Board and Selection Process – the size and composition of the Board and the selection of directors is provided for in the Governance Agreement and the Certificate of Incorporation of the Corporation.
- (b) Qualifications – Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the Corporation. They should possess skills and competencies in areas that are relevant to the Corporation’s activities. A sufficient number of the directors will be independent based on the Nasdaq Stock Market Rules such that the Board will comply with such Rules or such other stock exchanges and securities regulatory authorities as are applicable.
- (c) Director Education and Orientation – The Corporation’s management team is responsible for providing an orientation and education program for new directors, as well as ongoing education to directors.
- (d) Meetings – The Board holds at least four scheduled meetings a year plus one to review the Corporation’s strategic plan, all chaired by the Chair of the Board. The Board is responsible for its agenda. Prior to each Board meeting, the Chair of the Board discusses agenda items for the meeting with the CEO and other members of senior management. Materials for each meeting are distributed to the directors in advance of the meeting. At the end each Board meeting, the directors will meet without members of management present after which the independent directors will meet without any other person present. The Lead Independent Director of the Board chairs any in-camera session of the independent directors.
- (e) Committees – The Board has established the following standing committees to assist it in discharging its responsibilities: the Audit Committee, the Nominating and Corporate Governance Committee and the Conflicts Committee. Special committees are established, from time to time, to assist the Board with specific matters. The chair of each committee reports to the Board following meetings of their committee. The governing Charter of each standing committee is reviewed and approved annually by the Board.

- (f) Evaluation – The Nominating and Corporate Governance Committee performs an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contributions of individual directors, and provides a report to the Board on the findings of this process. In addition, each committee assesses its own performance annually.
- (g) Compensation – The Nominating and Corporate Governance Committee recommends to the Board the compensation for non-management directors (it is the policy of the Corporation that Sponsor Directors do not receive compensation for their service on the Board). In reviewing the adequacy and form of compensation, the Nominating and Corporate Governance Committee seeks to ensure that director compensation reflects the responsibilities and risks involved in being a director of the Corporation and aligns the interests of the directors with the best interests of the Corporation.
- (h) Access to Outside Advisors – The Board and any committee may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Chair of the Board, retain an outside advisor at the expense of the Corporation.

DEFINITIONS

For purposes of this charter of the Board:

“Certificate of Incorporation” means the Corporation’s Amended and Restated Certificate of Incorporation, dated as of October 16, 2017 (as may be amended from time to time);

“Governance Agreement” means that certain Governance Agreement, dated as of October 16, 2017 (as may be amended from time to time) among the Company, Orion US Holdings 1 L.P. and each other member of the Sponsor Group that becomes party thereto from time to time in accordance with its terms.

“Sponsor” has the meaning assigned in the Certificate of Incorporation.

“Sponsor Directors” has the meaning assigned in the Certificate of Incorporation.

“Sponsor Group” has the meaning assigned in the Governance Agreement.

This Charter of the Board was reviewed and approved by the Board on April 30, 2019.