

Capital Power Corporation
("Capital Power" or the "Corporation")

SHAREHOLDER ENGAGEMENT POLICY

The Board of Directors (the "Board") and Management of Capital Power welcome and encourage interaction with the Corporation's shareholders and believe it is an important component of good governance to have regular and constructive engagement with shareholders to encourage open dialogue and an exchange of ideas. This policy is intended to facilitate such engagement by outlining the process by which shareholders may communicate with the Board. It also describes how Management interacts with shareholders.

How the Board and Management Communicate with Shareholders

1. The Board

The Board will communicate and engage with Capital Power's shareholders through Capital Power's management proxy circular, annual report, annual information form, and other public disclosure, and encourages all shareholders to attend Capital Power's annual meeting of shareholders. Capital Power's website contains extensive information pertaining to, among other things, the Board, its mandate and committees, and about our directors.

The Board believes in constructive dialogue to continually improve its performance on behalf of the Corporation's shareholders and, as such, will regularly reach out to our major shareholders to solicit their feedback regarding our governance and compensation practices.

Shareholder initiated requests for meetings with Capital Power's directors should be directed to the Board Chair ("Chair") and/or the Chair of the Corporate Governance, Compensation & Nominating Committee ("Committee Chair").

Communication between directors and shareholders is limited to one or more of the following topics of discussion:

- Board oversight of strategy and capital allocation
- Board oversight of sustainability (environmental, social and governance matters)
- Executive compensation
- Succession planning
- Board and committee structure and composition
- Board oversight of risk
- Board oversight of accounting, auditing and internal controls
- Capital Power's governance practices and policies

Unless otherwise directed by the Chair, meetings between directors and shareholders will:

- (a) include at least two of Capital Power's independent directors; and
- (b) include at least one of the Chair or the Committee Chair.

Preference is for such meetings to be held in-person but, where circumstances warrant, may be held via tele or video conference.

Meetings between directors and shareholders must be conducted in compliance with all applicable laws (including, without limitation, securities laws) and all corporate policies (including, without limitation, Capital Power's Disclosure & Insider Trading Policy).

Directors who attend any meeting with shareholders shall report back to the Board and the Corporate Governance, Compensation & Nominating Committee at the next scheduled meetings.

Contacting the Board

We encourage our shareholders to contact the Board in writing or by e-mail at:

Board Office
Capital Power Corporation
1200, 10423 – 101 Street NW
Edmonton, AB T5H 0E9
Email: board@capitalpower.com

The Board has designated the Corporate Secretary as its agent to receive and review shareholder communications to the Board and shareholder requests for meetings. The Chair and Committee Chair shall discuss all meeting requests with the Corporate Secretary and determine whether or not a meeting can occur.

All meeting requests by shareholders (or their representatives) must include the following:

- Confirmation that the requester is a Capital Power shareholder or representative of one or more shareholders
- Confirmation of the number(s) and class(es) of shares held, or directed and controlled, by the requester
- The identity of all individuals who wish to attend the meeting on behalf of the requester, and their professional relationship to, or capacity with respect to, the requester
- The topic(s) that the requester wishes to discuss.

If a meeting is approved, the Chair, Committee Chair and Corporate Secretary shall decide which directors and, if appropriate, whether members of Management will attend on behalf of Capital Power. The Chair, Committee Chair or Corporate Secretary shall confirm the meeting details with the requester.

2. Management

Capital Power's Management has a wide variety of methods to communicate with shareholders. Our Investor Relations team is the primary point of contact for shareholders as well as potential investors. As noted above, information about Capital Power is imparted via the management proxy circular, annual report, annual information form, and other public disclosure documents. Management also provides information to shareholders in the form of news releases, quarterly earnings calls, the Capital Power website, presentations made at investor and industry conferences, the annual general meeting, Capital Power's annual investor day and on a one-on-one meeting basis. Management holds conference calls (via telephone and through webcasts) pertaining to major corporate developments as soon as practical after the information has been made publicly available.

The following are Management's Investor Relations team responsible for communications with shareholders and the investment community.

- President and Chief Executive Officer
- Senior Vice President, Finance and Chief Financial Officer
- Director, Investor Relations

The team meets periodically with investor representatives to discuss the financial and business performance of Capital Power.

The matters that are most appropriately dealt with by Management include those related to Capital Power's general business, operations, financial results, and strategic direction.

Meetings between Management and shareholders must be conducted in compliance with all applicable laws (including, without limitation, securities laws) and all corporate policies (including, without limitation, Capital Power's Disclosure & Insider Trading Policy).

Management will provide the Board with any information/requests it receives from shareholders for which the Board should be made aware.

Contacting Management

Shareholders and other stakeholders of Capital Power are encouraged to communicate with Management's Investor Relations team in writing or by email at:

For Investor Relations general inquiries please contact:

Email: investor@capitalpower.com

Toll-free: 1-866-896-4636

Contact information for the Director, Investor Relations is available on Capital Power's website under the Investors tab.

The Board and Management recognize that the process by which shareholders engage with companies such as Capital Power is evolving and are committed to reviewing this policy on an annual basis to ensure that it is achieving its objectives.