

NORTHWESTERN CORPORATION SAFETY, ENVIRONMENTAL, TECHNOLOGY, AND OPERATIONS COMMITTEE CHARTER

STRUCTURE AND PURPOSE

The Safety, Environmental, Technology, and Operations Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of NorthWestern Corporation (the “**Company**”) will consist of at least three members of the Board. Each member of the Committee will be “independent” from management of the Company as set forth in the Company’s Corporate Governance Guidelines and meet the standards of “independence” set forth in the rules and regulations of the Securities and Exchange Commission (the “**SEC**”) and in the listing standards of the Nasdaq stock market (or, if not listed on such exchange, on any other national securities exchange on which the Company’s shares are listed).

The Committee assists the Board in the oversight and review of (i) employee and public safety, (ii) environmental policies and practices, (iii) technology policy, strategy and governance, including physical and cyber security issues related to the Company’s operations, (iv) innovation, including emerging or competing technologies and alternative energy resources, and (v) operational performance and risks (other than risks covered by another committee of the Board).

PROCEDURE

The Committee will meet as often as is deemed necessary by its chairperson or by any two of its members. Participation in meetings by means of conference telephone or similar communications equipment which permits all persons participating in the meeting to hear each other is permissible if done in compliance with the Company’s Bylaws. The chairperson, in consultation with the other members of the Committee and appropriate officers of the Company, will establish the agenda for each Committee meeting. The Committee will cause appropriate minutes to be prepared and preserved with respect to its proceedings and will report its actions to the next following meeting of the Board.

The Committee will have the authority to create (and delegate any of its responsibilities to) one or more sub-committees, as the Committee may deem appropriate in its sole discretion. The Committee also may recommend that its meeting be held with the Board as a whole.

The Committee may request any officer or other employee of the Company, or any representative of the Company’s legal counsel or other advisors, to attend a meeting or to meet with any members or representatives of the Committee. Any member may be excused from a meeting to permit the remaining members to act on any matter in which such member’s participation is not appropriate, and such member’s absence will not destroy the quorum for the meeting.

The Committee will have the authority to retain independent advisors. The Committee will also have appropriate resources and authority to discharge its responsibilities, including, without limitation, appropriate funding from the Company, in such amounts as the Committee deems necessary, to compensate any consultants or any other advisors retained by the Committee. In the performance of its duties, the Committee and its members will have unrestricted access to management.

RESPONSIBILITIES

The Committee's primary responsibilities are:

Safety Matters

- Oversee significant Company policies, practices and performance with respect to providing a healthy and safe environment for employees, customers, contractors, communities and the public.
- Review and monitor planning issues of interest to the Company as determined by the Committee, including (i) matters before safety regulatory agencies, (ii) compliance with safety laws and regulations, and (iii) safety performance in regards to the Company metrics.

Environmental Stewardship

- Review and monitor (i) significant environmental strategies, (ii) policy and planning issues of interest to the Company as determined by the Committee, including matters before environmental regulatory agencies, (iii) compliance with environmental laws and regulations, and (iv) environmental performance in regards to Company metrics.
- Oversee programs and policies with respect to protecting the environment, including the Company's sustainable efforts with respect to energy conservation, climate change, and greenhouse gas emissions.

Technology, Security, and Innovation

- Review technology strategies, policies and issues of interest to the Company (other than the review of internal controls with respect to information and technology systems, security management systems and cybersecurity), including matters involving the customer experience, business alignment with the strategic technology plan, governance related to the oversight of the technology strategy, and reporting of major technology projects.
- Monitor management's processes for identification and control of cyber security risks and physical security risks; review physical and cyber security threat assessments, emerging issues and related Company initiatives.
- Oversee and evaluate the Company's strategy and efforts to identify and address innovation risks and opportunities in the utility industry and adjacent industries arising from emerging or competing technologies and alternative energy sources, including changes in business conditions or new business models.
- Review and discuss existing or future issues or trends concerning innovation and technology applicable to the Company, its strategic plans, the utility industry, and adjacent industries.
- Monitor the performance of the Company's technology development and innovation in support of its overall business strategy.

Operations

- Review matters pertaining to the performance of the Company's operations, including key performance indicator results and trends and other significant operational matters.
- Review and monitor operational risk exposure and risk mitigation strategies (other than director's and officer's liability insurance matters).
- Review management's processes for assessing business continuity risks and developing related contingency planning, including preparedness in conjunction with emergency responders, public and employee safety during critical events, plans for restoration of service, back-up for key facilities and supply sources, incident command structure, communications plans, and back-up plans for critical administrative and operating infrastructure and systems.

General

- Conduct an annual review of its own performance against the requirements of this Charter and report the results of this self-evaluation to the Board.
- Conduct an annual review of this Charter, recommending such changes to the Board as the Committee deems appropriate.
- Undertake such other duties or responsibilities as may be delegated to the Committee by the Board from time to time.

The Committee shall coordinate risk matters with the Audit Committee with respect to the Audit Committee's oversight of the Company's enterprise risk management and compliance activities. Notwithstanding the foregoing provisions of this Charter, the Committee shall not have any authority or responsibility with respect to:

- The oversight of policies with respect to (A) and the Company's enterprise risk management program, (B) the Company's major financial risk exposures and (C) the steps management has taken to mitigate these exposures; or
- Risks that are subject to review and monitoring by the Audit Committee, the Human Resources Committee or the Nominating and Governance Committee under the rules of the Nasdaq Stock Market (or the rules of any subsequent exchange on which the Company lists its stock).

DISCLOSURE OF CHARTER

This Charter may, but is not required to, be made available on the Company's website.