Letter to Unitholders

2021 was another very strong year for our business. We achieved record FFO per unit, continuing our track record of double-digit annual growth for over a decade. We agreed to deploy capital in-line with our targets, growing in every major market we operate and had a record year for development. We have over 15,000 megawatts of capacity under construction or in late-stage development and now have an overall global development pipeline of approximately 62,000 megawatts. We also maintained our strong balance sheet and executed over $13 billion of financings, generating $1.5 billion in proceeds from upfinancings net to Brookfield Renewable, bolstering our liquidity, enhancing our self-funding business model, and minimizing our exposure to increasing interest rates or near-term maturities.

Looking ahead, decarbonization is now firmly established as an objective of the global economy. As one of the pre-eminent clean energy companies with a global presence, deep operating capabilities, and scale, we are uniquely positioned to execute on the most attractive decarbonization investment opportunities around the world.

As we enter 2022, we continue to be one of the largest owners, operators, and builders of clean energy globally, with best-in-class growth prospects, and inflation-linked cash flows that are supported by double-digit years of weighted average contract life.

Given our strong financial and operating performance, robust liquidity and positive outlook for the business, we are pleased to announce a 5% increase to our distribution to $1.28 per unit on an annualized basis. This is the 11th consecutive year of at least 5% annual distribution growth since 2011 when Brookfield Renewable was spun out.

Highlights for the year include:

- We generated FFO of $934 million or $1.45 per unit, a 10% increase from 2020 or 17% on a normalized basis. This resulted from the stability of our high-quality inflation-linked contracted cash flows, organic growth and commercial initiatives, and contributions from acquisitions.

- We advanced key commercial priorities, securing contracts to deliver 11,000 gigawatt hours of clean energy annually including 6,000 gigawatt hours to corporate offtakers and completed cost savings initiatives that have delivered $20 million of savings on an annualized basis.

- We commissioned approximately 1,000 megawatts of new capacity and progressed over 15,000 megawatts through construction and advanced-stage development.

- We agreed to invest approximately $4.3 billion (~$1.1 billion net to Brookfield Renewable) of capital across various transactions in every major market and technology we operate in. We further diversified our business with our first investment in offshore wind, and we expanded our hydroelectric and battery storage portfolios.

- We maintained our robust investment grade balance sheet and ended the year with over $4 billion of available liquidity and access to significant sovereign and institutional capital that we can invest alongside of, which provides enhanced flexibility for future growth.

Don’t Forget About (Our) Hydros

We continue to believe hydropower is the premier renewable technology due to its perpetual nature and dispatchability. And while the asset classes of wind and solar are certainly growing faster, the benefits of hydro are rapidly increasing in today’s market environment. As decarbonization continues to drive additional demand for carbon-free baseload generation, our scale hydroelectric portfolio will continue to be a meaningful differentiator for our business and positions us as a partner of choice to support governments and companies in achieving their carbon reduction goals. Further, the dispatchable or embedded storage benefits of hydro are becoming increasingly beneficial as more intermittent renewables are added to the grid. Recently, we executed on several initiatives that highlight the unique and valuable nature of our hydroelectric business.

In December, we signed a 40-year power purchase agreement at our 265-megawatt Lievre facilities in Canada with Hydro Quebec. The contract represents an attractive premium to the prices the facility has historically achieved, generating an additional $20 million of revenue per annum. More importantly, given the duration of the contract and the quality of the counterparty, we concurrently raised an additional C$1.0 billion of 40-year investment grade debt on the facility at very attractive fixed rates. We will redeploy this capital into growth, and when deployed at our target returns, it is expected to generate over $100 million of annual net FFO for the business. Said differently, through the recontracting and upfinancing of a single hydro asset, we can fund the majority of our targeted 2022 equity deployment at exceptionally attractive rates. With over 5,500 gigawatt hours of generation available for recontracting over the next five years, and an increasingly constructive pricing environment for our hydro portfolio, we have significant capacity across our fleet to execute on similar contracts that we expect to contribute additional FFO and generate a highly accretive funding source for our growth.

In the fourth quarter, we also completed an investment grade upfinancing at our pumped hydro storage business in the UK. This followed a sustained period of record performance due to an increase in value of the critical grid-stabilizing ancillary services including back-up capacity it sells to the increasingly intermittent greener electric grid. With the proceeds from the financing, we have now returned over 100% of the capital we invested in the business in 2017.

Finally, we continue to leverage our hydroelectric fleet to provide 24/7 green power solutions to our customers. During the quarter, we signed a 15-year power purchase agreement with a large manufacturer, alongside a retail supply agreement to serve the entirety of their load requirements in the U.S. Northwest. The agreement is unique in the market and is part of a differentiated supply solution that we tailored to our customer’s bespoke requirements. The power purchase agreement will be served by a 110-megawatt solar project in Washington State that we will construct, and when the sun does not shine, the customer’s energy requirements can be served from our hydroelectric assets in British Columbia.

We continue to see select opportunities for growth in hydroelectric generation, especially for large and experienced operators like us. Recently, our Colombian business acquired one of the largest privately held generation portfolios in Colombia, comprised of seven recently built run-of-river hydropower plants with a total capacity of nearly 150 megawatts for approximately $425 million. This is the largest follow-on acquisition by our Colombian business since our initial investment in 2016, and we expect it to be highly complementary and synergistic to our existing operations.

Update On Growth Initiatives

Since our last update, we agreed to invest approximately $2 billion (~$500 million net to Brookfield Renewable) of capital across various transactions at our target returns of 12-15%.

In North America, we acquired Urban Grid, a leading utility-scale solar developer in the U.S. with a 20,000-megawatt development pipeline and a strong position in the high-value PJM market. Its pipeline includes 2,000 megawatts of under construction or ready-to-build solar projects and an additional 4,000 megawatts of de-risked advanced stage buildout opportunities, that we expect to build out backed by corporate contracts over the next six years with additional upside given the depth of its remaining pipeline. The purchase price is $650 million (~$160 million net to Brookfield Renewable) with the opportunity to invest hundreds of millions of dollars into further growth in the future. In Europe, we acquired a German utility-scale solar developer with a 1,700-megawatt pipeline, for approximately $80 million (~$20 million net to Brookfield Renewable) and expect to develop at least 800 megawatts of new renewable capacity over the next six years from this pipeline. These transactions provide late-stage development projects in core markets to match with the abundance of corporate demand we are seeing for green power and will benefit from synergies with our existing operations.

In the UK, we signed an agreement with a leading battery energy storage solutions provider for the option to fund and own up to 800 megawatts of battery energy storage projects and almost 200 megawatts of co-located solar projects over the next five years. Large and increasing exposure to intermittent renewables, together with the decommissioning of thermal plants, has created significant demand for energy storage in the UK – a dynamic we have great visibility on through First Hydro. We anticipate the buildout of the projects will require up to approximately $260 million of equity (~$65 million net to Brookfield Renewable). This will grow our existing 3,400-megawatt global energy storage portfolio and give us a leading position in the capacity-constrained UK market.

We continued to execute on our growth plans for distributed generation in the fourth quarter. With leading capabilities in North America, South America, Europe and Asia, we are uniquely positioned to be a global solutions provider for clean onsite generation. Our DG operating assets have grown to over 1,400 megawatts and our development pipeline has increased to 6,400 megawatts. In the quarter, we expanded our distributed generation portfolio by acquiring 780 megawatts of operating and development assets in Europe and South America and we also signed a strategic agreement with Shoals Technologies Group, a leading provider of solutions for storage, solar and eMobility, to pursue distributed renewable energy generation and EV charging solutions across the U.S.

In Asia, we completed the acquisition of over 300 megawatts of wind, including a transaction alongside Apple's Renewable Energy Fund, increasing our footprint in the region as well as benefiting from synergies with our existing operations.

Finally, we achieved a record level of development over 2021. We commissioned approximately 1,000 megawatts of new capacity and finished the year with almost 15,000 megawatts of construction and advanced-stage projects. These projects are diversified across distributed and utility-scale solar, wind, storage, hydro and green hydrogen in 14 different countries. In total, we expect these projects to contribute almost $180 million in annual FFO to our business once completed.

Results From Operations

In 2021, we generated FFO of $934 million or $1.45 per unit, a 10% increase from 2020 or 17% on a normalized basis, as the business benefited from recent acquisitions, strong underlying asset availability, and execution on organic growth initiatives.

During the year, our hydroelectric segment delivered FFO of $639 million. The portfolio continues to exhibit strong cash flow resiliency given the increasingly diversified asset base, strong price environment and our recent recontracting initiatives delivering strong results even when generation was below long-term average.

Our wind and solar segments generated a combined $581 million of FFO, representing a 55% increase over the prior year. We benefited from contributions from acquisitions, and approximately 770 megawatts of solar and wind projects commissioned during the year.

Our energy transition segment generated $162 million of FFO. Revenues from our pumped storage assets as well as our distributed generation portfolio continue to demonstrate strong growth as global electricity generation decarbonizes. Over the past three years, our distributed generation portfolio grew revenue by approximately 40% annually, bolstered by the acquisitions and strategic partnerships we have signed.

Balance Sheet And Liquidity

Our financial position remains robust, with approximately $4.1 billion of total available liquidity at year end, and our business model is self-funded. During the year, we executed on key financing and capital raising initiatives aimed at maintaining robust access to capital and a prudent debt maturity ladder, as well as maintaining a low-risk, investment-grade balance sheet.

During 2021, we continued to take advantage of the low interest environment. We executed on $13 billion of investment grade financings, including $1.5 billion of upfinancings net to Brookfield Renewable, securing a weighted average debt maturity of 13 years with no material maturities over the next three years. With these financing activities completed, our business is well protected against the potential of rising interest rates. We have very limited exposure to near-term maturities or floating interest rates across our business.

We also continue to use opportunistic capital recycling as an important lever to drive value and fund growth. During the year, we executed on agreements to sell over 1,600 megawatts, generating proceeds of $1.5 billion ($540 million net to Brookfield Renewable), including an agreement in the fourth quarter to sell a 625-megawatt solar PV portfolio in Mexico at an attractive valuation of $400 million (~$50 million net to Brookfield Renewable).

Outlook

Our long-term goal remains, as always, to deliver 12% to 15% long-term total returns on a per-unit basis. We plan to accomplish this through the prudent execution of our capital allocation strategy and the application of our operating expertise to both enhance value and de-risk our business, while maintaining an investment-grade balance sheet.

On behalf of our employees and directors, we would like to express our sincerest appreciation to our investors and many business partners for their contributions to our success. Thank you for your continued support. We look forward to updating you on our progress in 2022.

Sincerely,

Connor Teskey

Chief Executive Officer

February 4, 2022

Cautionary Statement Regarding Forward-looking Statements

This letter to unitholders contains forward-looking statements and information within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. The words "will", "intend", "should", "could", "target", "growth", "expect", "believe", "plan", derivatives thereof and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters identify the above mentioned and other forward-looking statements. Forward-looking statements in this letter to unitholders include statements regarding the quality of Brookfield Renewable's and its subsidiaries' businesses and our expectations regarding future cash flows and distribution growth. They include statements regarding Brookfield Renewable's anticipated financial performance, future commissioning of assets, contracted nature of our portfolio, technology diversification, acquisition opportunities, expected completion of acquisitions and dispositions, financing and refinancing opportunities, BEPC's eligibility for index inclusion, BEPC's ability to attract new investors as well as the future performance and prospects of BEPC and BEP, future energy prices and demand for electricity, economic recovery, achieving long-term average generation, project development and capital expenditure costs, energy policies, economic growth, growth potential of the renewable asset class, the future growth prospects and distribution profile of Brookfield Renewable and Brookfield Renewable's access to capital. Although Brookfield Renewable believes that these forward-looking statements and information are based upon reasonable assumptions and expectations, you should not place undue reliance on them, or any other forward-looking statements or information in this letter to unitholders. The future performance and prospects of Brookfield Renewable are subject to a number of known and unknown risks and uncertainties. Factors that could cause actual results of Brookfield Renewable to differ materially from those contemplated or implied by the statements in this letter to unitholders include (without limitation) our inability to identify sufficient investment opportunities and complete transactions; the growth of our portfolio and our inability to realize the expected benefits of our transactions or acquisitions; weather conditions and other factors which may impact generation levels at facilities; adverse outcomes with respect to outstanding, pending or future litigation; economic conditions in the jurisdictions in which Brookfield Renewable operates; ability to sell products and services under contract or into merchant energy markets; changes to government regulations, including incentives for renewable energy; ability to complete development and capital projects on time and on budget; inability to finance operations or fund future acquisitions due to the status of the *capital markets; health, safety, security or environmental incidents; regulatory risks relating to the power markets in which Brookfield Renewable operates, including relating to the regulation of our assets, licensing and litigation; risks relating to internal control environment; contract counterparties not fulfilling their obligations; changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes, and other risks associated with the construction, development and operation of power generating facilities. For further information on these known and unknown risks, please see "Risk Factors" included in the Form 20-F of BEP and in the Form 20-F of BEPC and other risks and factors that are described therein.*

The foregoing list of important factors that may affect future results is not exhaustive. The forward-looking statements represent our views as of the date of this letter to unitholders and should not be relied upon as representing our views as of any subsequent date. While we anticipate that subsequent events and developments may cause our views to change, we disclaim any obligation to update the forward-looking statements, other than as required by applicable law.

No securities regulatory authority has either approved or disapproved of the contents of this letter to unitholders. This letter to unitholders is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Cautionary Statement Regarding Use of Non-IFRS Measures

This letter to unitholders contains references to Adjusted EBITDA, FFO, FFO per Unit, Normalized FFO and Normalized FFO per Unit, which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of Adjusted EBITDA, FFO, FFO per Unit, Normalized FFO and Normalized FFO per Unit used by other entities. We believe that Adjusted EBITDA, FFO, FFO per Unit, Normalized FFO and Normalized FFO per Unit are useful supplemental measures that may assist investors in assessing the financial performance and the cash anticipated to be generated by our operating portfolio. None of Adjusted EBITDA, FFO, FFO per Unit, Normalized FFO and Normalized FFO per Unit should be considered as the sole measure of our performance and should not be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with IFRS. For a reconciliation of Adjusted EBITDA, FFO and FFO per Unit to the most directly comparable IFRS measure, please see "Reconciliation of Non-IFRS Measures - Three Months Ended December 31" and "Reconciliation of Non-IFRS Measures - Year Ended December 31" included elsewhere herein and "Financial Performance Review on Proportionate Information - Reconciliation of Non-IFRS Measures" included in our Form 20-F. Normalized FFO assumes long-term average generation in all segments except the Brazil and Colombia hydroelectric segments and uses 2020 foreign currency rates.

References to Brookfield Renewable are to Brookfield Renewable Partners L.P. together with its subsidiary and operating entities unless the context reflects otherwise.

Endnotes

(1) Any references to capital refer to Brookfield's cash deployed, excluding any debt financing.

(2) Available liquidity of $4.1 billion refer to "Part 5 - Liquidity and Capital Resources" in the Management Discussion and Analysis in the 2021 Annual Report.

(3) Incremental FFO attributable to the Lievre PPA of $100 million is calculated assuming proceeds are deployed earning a 16% FFO yield, less financing costs.

(4) 12-15% target returns are calculated as annualized cash return on investment.