Letter to Unitholders

We had a strong start to the year advancing a number of growth and development initiatives, and our financial results reflect our ever-increasingly diverse and durable business.

Demand for clean power continues to accelerate on the back of digitalization of the global economy, and we are well positioned to benefit as a result of our differentiated capabilities and track record of credibly delivering scale clean power solutions.

Our pipeline of attractive growth opportunities is as robust as ever given our access to scale capital, strong operating business, and market conditions where not all counterparties are necessarily as well situated – creating a favorable environment for new investments. At the same time, we are seeing a strong bid for high-quality de-risked assets, creating an attractive market to recycle capital at accretive returns.

Highlights for the quarter include:

- Generated FFO of $296 million, or $0.45 per unit, an 8% increase from the prior year. The strong results reflect solid resources across our hydro fleet and the impact from development and growth initiatives. These results position us well to deliver our target 10%+ FFO per unit growth for the year.

- Advanced commercial priorities, including securing contracts to deliver an incremental ~5,200 gigawatt hours per year of generation and finalized a landmark partnership with Microsoft to deliver over 10,500 megawatts of renewable capacity between 2026 and 2030.

- Continued to progress development activities during the quarter and expect to bring on ~7,000 megawatts of new renewable capacity this year.

- Progressed asset recycling activities that are expected to generate $3 billion of proceeds ($1.3 billion net to Brookfield Renewable) this year at attractive returns.

- Strengthened our balance sheet by executing approximately $6 billion of financings, ending the quarter with $4.4 billion of available liquidity to deploy into a very attractive investment environment.

We are Positioned as the Leading Clean Power Provider to the Digitalizing Global Economy

As the accelerating global trends of cloud computing, digitalization, and adoption of AI continue to drive significant growth in demand for power, we are fortunate to be a key enabler of one of the most significant growth trends in recent history.

Demand for cloud computing and AI is incentivizing the leading technology companies to scale their investment in these areas, and the key requirements needed to deliver these products are computing power and energy. However, existing energy infrastructure is not enough, meaning sourcing additional sustainable renewable power at scale is on the critical path to growth for these companies.

In May we signed a landmark renewable energy framework agreement with Microsoft, furthering our strategic partnership, where we expect to deliver them over 10,500 megawatts of new renewable energy capacity in the U.S. and Europe between 2026 and 2030.

The first-of-its-kind agreement, which is almost eight times larger than the largest single corporate PPA ever signed, will assist Microsoft's data center growth and support its investment in AI powered cloud services. The agreement positions us well to deliver over 7,000 megawatts of new capacity annually through the end of the decade.

There are further opportunities to partner with Microsoft, with whom we are already set to deliver almost 1,000 megawatts of projects through 2025. The agreement includes provisions to increase its scope to deliver additional renewable energy capacity within the U.S. and Europe, and beyond to Asia-Pacific, India, and Latin America.

The partnership is a testament to our differentiated offering which is characterized by our significant access to capital and credibility to deliver scale clean power solutions from our extensive pipeline of advanced stage projects, which are well positioned from an interconnection and permitting perspective in many key data center markets globally.

While this partnership is a first-of-its-kind, given the significant scale of investment required to meet the increase in energy demand, we believe we are uniquely positioned to be a key enabler of growth for the largest technology players through similar arrangements. Our access to scale capital, sizeable development pipeline, and ability to commission significant capacity concurrently to meet this demand differentiates us as a partner.

We are also uniquely positioned to provide a tailored solution to help address our customers' needs. Our ability to provide scale 24/7 clean power solutions through the combination of our large portfolio of existing hydro assets, our leading nuclear services business, and other renewable power capacity from across the technology spectrum also distinguishes our offering; this is translating to favorable contracting opportunities.

Our Growth Pipeline is as Robust as Ever

In the foreseeable future, there is a need for greater amounts of capital for renewables than is available. Electricity demand is accelerating as a result of growth in digitalization and electrification, and renewables, which are the lowest cost source of bulk power generation in most regions and countries now, and are aligned with net zero targets, are among the most likely sources to meet this growth.

In 2023, while renewable capacity additions globally grew by 50% compared to the prior year, renewable power developers and operators who were not prepared for a higher interest rate environment or were unable to manage through supply chain challenges have seen their business models disrupted. This has created an opportunity to invest for value. With our business, which remains insulated from such headwinds, we are ideally situated at the clean energy center between capital and opportunities.

Our access to scale capital means we can execute on large opportunities where there are fewer viable partners and risk adjusted returns can therefore be very attractive. Larger companies can often attract stronger management teams and have imbedded growth opportunities, which when combined with our capital and capabilities, can unlock additional value creation that others cannot. We are excited about the opportunity to add scale businesses and platforms in attractive markets where we can compound our competitive advantages.

We are also able to leverage the expertise of our global investment teams and our operating capabilities to strategically enter new markets, which enables us to look at a broader range of opportunities.

Thus far this year we have advanced several growth initiatives that when closed will add operating capacity and near-term growth to our development pipeline and based on our current pipeline we are optimistic that our capital deployment will accelerate throughout the rest of the year.

Considering public market conditions and our strong conviction in the intrinsic value of our business, we allocated capital to repurchase our units in the quarter. In the last nine months, we repurchased over 4 million units under our normal course issuer bid. Looking forward, we will continue to allocate capital based on where we are seeing the best risk-adjusted returns and remain confident we will continue to create meaningful value for our investors.

Operating Results

We generated FFO of $296 million, or $0.45 per unit, representing an 8% increase from the prior year as we benefited from our diverse operating assets and contribution from our growth and development activities.

Our hydro assets continue to exhibit strong cash flow resiliency given our diversified asset base, inflation-linked power purchase agreements, and ability to realize strong power prices. Our hydroelectric segment delivered FFO of $193 million driven by solid resources across our fleet, which resulted in generation at 105% of the long-term average, and strong all-in pricing.

Our wind and solar segments generated a combined $148 million of FFO, benefiting from recently closed acquisitions and the commissioning of new projects. We continue to execute on development, further diversifying our business and reducing quarter-over-quarter volatility.

Our distributed energy and storage, and sustainable solutions segments generated a combined $67 million of FFO. We continued to scale our distributed generation business with strong growth in our backlog of projects that we expect to commission over the next few years and benefited from our acquisition of Westinghouse, where we continue to see robust performance.

Balance Sheet and Liquidity

Our financial position remains strong with $4.4 billion of available liquidity enabling us to deploy significant capital into growth.

During the quarter we further strengthened our balance sheet executing almost $6 billion in financings. Globally, we continue to see robust financing markets and have been actively extending maturities at attractive pricing with spreads near historic lows.

In January, we issued C$400 million of 30-year notes at 5.3% and meaningfully extended our debt maturity profile. Later in the quarter we issued $150 million of fixed rate perpetual subordinated notes, with proceeds being used to refinance outstanding preferred shares that were scheduled to reset in early April. The newly issued notes are 70 bps cheaper than the reset rate of the outstanding preferred shares we redeemed, saving us almost $5 million over the next five years.

The market for the right type of renewable power assets continues to strengthen as the outlook for interest rates has stabilized. Our large and growing portfolio of contracted operating assets with fixed rate non-recourse financing and pipeline of derisked projects are in high demand from lower cost of capital buyers. We are fortunate to have launched a significant pipeline of asset sales into this environment which we are advancing. In aggregate we are targeting to generate $3 billion of proceeds ($1.3 billion net to Brookfield Renewable) this year at attractive returns.

Outlook

We are excited about the prospects for our business going forward and remain focused on delivering 12-15% long-term total returns for investors. We will continue to be disciplined in our approach while working to capitalize on opportunities in the current environment.

On behalf of the Board and management, we thank all our unitholders and shareholders for their ongoing support and look forward to updating you on our progress throughout the year.

Sincerely,

Connor Teskey
Chief Executive Officer

May 3, 2024

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, distribution growth and the success of growth initiatives. They include statements regarding Brookfield Renewable's anticipated financial performance, future commissioning of assets, ability to execute on the development pipeline, contracted nature of our portfolio (including our ability to recontract certain asset), technology diversification, acquisition opportunities, expected completion of acquisitions and dispositions, financing and refinancing opportunities, future energy prices and demand for electricity, global decarbonization targets and related government incentives, 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. These forward-looking statements and information are not historical facts but reflect our current expectations regarding future results or events and are based on information currently available to us and on assumptions we believe are reasonable. 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. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and result of operations and our plans and strategies may vary materially from those expressed in the forward-looking statements and forward-looking information herein. 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) general economic conditions and risks relating to the economy, including unfavorable changes in interest rates, foreign exchange rates, inflation and volatility in the financial markets; changes to resource availability, as a result of climate change or otherwise, at any of our facilities; supply, demand, volatility and marketing in the energy markets; our inability to renegotiate or replace expiring power purchase agreements on similar terms; an increase in the amount of uncontracted generation in our portfolio or adverse changes to the hydrological balancing pool administered by the government of Brazil ("MRE"); availability and access to interconnection facilities and transmission systems; our ability to comply with, secure, replace or renew concessions, licenses, permits and other governmental approvals needed for our operating and development projects; our real property rights for our facilities being adversely affected by the rights of lienholders and leaseholders that are superior to those granted to us; increases in the cost of operating our existing facilities and of developing new projects; increased regulation of and third party opposition to our nuclear services business' customers and operations; failure of the nuclear power industry to expand; our ability to comply with regulations (including with respect to indemnification requirements) related to our nuclear services business; equipment failures and procurement challenges; dam failures and the costs and potential liabilities associated with such failures; uninsurable losses and higher insurance premiums; changes in regulatory, political, economic and social conditions in the jurisdictions in which we operate; force majeure events; adverse changes in currency exchange rates and our inability to effectively manage foreign currency exposure; health, safety, security and environmental risks; energy marketing risks and out ability to manage commodity and financial risk; the termination of, or a change to, the MRE balancing pool in Brazil; involvement in litigation and other disputes, and governmental and regulatory investigations; counterparties to our contracts not fulfilling their obligations; the time and expense of enforcing contracts against non-performing counterparties and the uncertainty of success; foreign laws or regulation to which we become subject as a result of future acquisitions in new markets; our operations being affected by local communities; our reliance on computerized business systems, which could expose us to cyberattacks; newly developed technologies in which we invest not performing as anticipated; advances in technology that impair or eliminate the competitive advantage of our projects; increases in water rental costs (or similar fees) or changes to the regulation of water supply; labor disruptions and economically unfavorable collective bargaining agreements; fraud, bribery, corruption, other illegal acts or inadequate or failed internal processes or systems;; our inability to finance our operations and fund growth due to the status of the capital markets or our ability to complete capital recycling initiatives; operating and financial restrictions imposed on us by our loan, debt and security agreements; changes to our credit ratings; the incurrence of debt at multiple levels within our organizational structure; adverse changes in currency exchange rates and our inability to effectively manage foreign currency exposure through our hedging strategy or otherwise; 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; changes to our current business, including through future sustainable solutions investments; our inability to develop the projects in our development pipeline; delays, cost overruns and other problems associated with the construction and operation of generating facilities and risks associated with the arrangements we enter into with communities and joint venture partners; Brookfield's election not to source acquisition opportunities for us and our lack of access to all renewable power acquisitions that Brookfield identifies, including by reason of conflicts of interest; we do not have control over all of our operations or investments, including certain investments made through joint ventures, partnerships, consortiums or structured arrangements; political instability or changes in government policy negatively impacting our business or assets; some of our acquisitions may be of distressed companies, which may subject us to increased risks; a decline in the value of our investments in securities, including publicly traded securities of other companies; we are not subject to the same disclosure requirements a U.S. domestic issuer; the separation of economic interest from control within our organizational structure; future sales and issuances of LP Units, preferred limited partnership units in the capital of Brookfield Renewable or securities exchangeable for LP Units, including BEPC exchangeable shares, or the perception of such sales or issuances, could depress the trading price of the LP Units or BEPC exchangeable shares; our dependence on Brookfield and Brookfield's significant influence over us; the departure of some or all of Brookfield's key professionals; our lack of independent means of generating revenue; changes in how Brookfield elects to hold its ownership interests in Brookfield Renewable; Brookfield acting in a way that is not in our best interests or our shareholders or our unitholders; being deemed an "investment company" under the Investment Company Act; the effectiveness of our internal controls over financial reporting; any changes in the market price of the LP Units and BEPC exchangeable shares; and *the redemption of BEPC exchangeable shares by us at any time or upon notice from the holders of the BEPC class B shares. 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 FFO, FFO per Unit, which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of Adjusted FFO and FFO per Unit, used by other entities. We believe that FFO and 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 FFO and 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 FFO and FFO per Unit to the most directly comparable IFRS measure, please see “Reconciliation of Non-IFRS Measures – Three Months Ended March 31th” included elsewhere herein and “Financial Performance Review on Proportionate Information - Reconciliation of Non-IFRS Measures” included in our unaudited Q1 2024 interim report.

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 refers to "Part 5 - Liquidity and Capital Resources" in the Management Discussion and Analysis in the Q1 2024 Interim Report.