

Letter to Unitholders

The business performed well this quarter, building on our strong start to the year. We were successful in deploying significant capital into growth, progressing project development and advancing asset recycling initiatives.

Significant growth in corporate demand for clean power on a global basis continues to support the fundamentals for our business and we are now better positioned than ever to benefit. Our portfolio is capturing incrementally higher all-in pricing and we are commissioning projects at an increasing pace.

Data center investment continues to accelerate globally and it is widely estimated that data centers could reach up to 10% and 20% of electricity consumption globally and in the U.S., respectively, by the end of the decade. This is on top of the electrification of industrial capacity, heating for houses and other uses that is driving unprecedented demand for electricity. To put this in perspective, the global installed capacity for electricity is expected to more than double over the next 20 years, while also trying to replace half of the existing capacity that will be retired as it is very carbon intensive. A truly unprecedented undertaking.

In this environment, we are continuing to differentiate ourselves with our large operating fleet and expansive development pipeline, which now stands at over 230,000 megawatts, of which approximately 65,000 megawatts has advanced stage land, interconnection and permitting status in core renewable markets. This large, advanced pipeline and our credibility in delivering projects is enhancing our position as the partner of choice for the largest buyers of clean power. To put it simply, nobody is better placed to provide clean power on a global basis to fuel this AI revolution.

We were also able to execute several acquisitions of leading renewable development platforms during the quarter, expanding our business into high-value geographies that are new to us, but where Brookfield more broadly is a prominent investor. Looking forward, our pipeline of opportunities to deploy capital on an accretive basis remains very strong.

At the same time, we continue to see strong demand for high-quality, de-risked, operating renewable power assets and expect to sell a number of assets this year, generating approximately \$3 billion of proceeds (\$1.3 billion net to Brookfield Renewable) at attractive returns. Capitalizing on this dynamic, and based on our ongoing sales processes, we expect it to be our largest year for capital recycling to date.

Highlights for the quarter include:

- Generated FFO of \$339 million, up 9% from the prior year, or \$0.51 per unit. We continue to expect to generate 10%+ FFO per unit growth for the year.

- Deployed, or committed to deploy \$8.6 billion of capital (\$970 million net to Brookfield Renewable) across multiple investments globally, further diversifying our business and adding leading platforms in attractive regions.
- Advanced commercial priorities securing contracts to deliver an incremental 2,700-gigawatt hours per year of generation, of which ~90% of development was contracted with corporate customers, building on the success of our recently announced partnership with Microsoft to deliver over 10,500 megawatts of renewable capacity between 2026 and 2030.
- Commissioned ~1,400 megawatts of new renewable energy capacity in the quarter and continue to expect to bring on ~7,000 megawatts this year.
- Strong balance sheet with \$4.4 billion of available liquidity and progressing asset recycling initiatives that we expect to generate significant proceeds to deploy into our pipeline of growth opportunities.

Growing where the demand is

During the quarter, we successfully invested in businesses with established operating portfolios and development pipelines in attractive markets, where demand for clean power is growing. Further, our growth activities this quarter enabled us to expand into some new high value renewables markets, where broader Brookfield has been a prominent and successful investor for years.

We signed an agreement to acquire ~53% of the outstanding shares of publicly-listed Neoen. Neoen is a leading global renewable platform with best-in class management and market leading positions in each of France, Australia and the Nordics. The company has 8,000 megawatts of highly contracted operating or under construction assets, and a 20,000-megawatt advanced stage pipeline with completed technical studies, and land and interconnection already secured.

Neoen's three core markets represent some of the fastest growing markets for renewables, with strong corporate demand and high barriers to entry. The addition of Neoen to our portfolio immediately makes us a top player in each of these very attractive markets, where we can supplement Neoen's local capabilities with our commercial, procurement and operating expertise. With our combined capabilities and access to capital, we intend to support the company, with a view to increasing Neoen's development activities, as we serve the growing needs of the largest corporate customers globally.

We were able to offer a compelling solution to the existing owners of Neoen, leveraging our access to capital, capabilities, and geographic reach to acquire a large, high-quality global platform, that complements our existing footprint. Perhaps most importantly, our ability to partner with large-scale institutional capital allowed us to provide a complete solution that few could match. While the transaction size is large, this is a textbook example of the type of deal that leverages the core competencies of our business.

After regulatory approvals, which are expected in the fourth quarter of this year, we will launch a tender offer for the remaining shares. Our offer to acquire 100% of the outstanding shares of Neoen is for \$6.7 billion (\$540 million net to Brookfield Renewable).

We acquired Leap Green, a leading wind focused commercial and industrial renewable business in India with ~500 megawatts of operating capacity and an almost 3,000-megawatt development pipeline for ~\$200 million (~\$40 million net by Brookfield Renewable).

We began investing in the Indian market in 2017 with an initial investment in 300 megawatts of operating capacity, establishing a platform in the country to use for expansion. At the time of our initial investment, the broader Brookfield business had been investing in India very successfully for years and we were able to build on the relationships, knowledge and local infrastructure that Brookfield had established. This approach has served us very well and we now operate one of the largest renewable energy businesses in the country, with over 3,000 megawatts of operating assets and a ~20,000-megawatt development pipeline. Further, the platform has matured to the extent that we have line of sight to monetizing some of our first investments in the country at attractive returns and recycling that capital back into new and accretive opportunities.

We are employing a similar approach in South Korea, a very attractive market for renewables with strong policy objectives and corporate demand for clean power that is outpacing supply. We entered the market by acquiring the operating and development platform of Hanmaeum Energy, a full-service platform with 340 megawatts of operating and near construction distributed generation capacity and over 4,000 megawatts of development projects and identified acquisition opportunities for up to ~\$500 million of upfront and follow-on growth capital (~\$100 million net to Brookfield Renewable).

South Korea is home to many high-quality power-intensive corporates with decarbonization objectives and has government mandated renewable portfolio requirements for energy companies, creating a strong market for renewable energy credits and capital recycling. And while this market is new for our renewables business, the broader Brookfield has been a long-time successful investor in the country.

Delivering competitive energy solutions

Over the past two decades, solar and wind have gone from a negligible source of global electricity production to over thirteen percent of total supply and have also become the most cost competitive sources of power globally. New build solar and wind now cost less than running existing fossil fuel plants in most markets.

We are seeing a similar scenario play out with batteries, where costs have declined 85% in the past decade and 60% in the past six years. Batteries are benefiting from economies of scale with the growth of the electric vehicle market, from incremental demand for capacity and grid stabilizing services, and by enabling increased penetration of low-cost renewables by providing a power solution for customers when the sun is not shining, or the wind is not blowing. As a result, the cost curve for batteries is now declining at a steeper pace than traditional renewables.

With lower capital costs, higher potential revenues and increasing demand for this type of solution from customers, we are focused on deploying capital into battery energy storage solutions in select markets. This quarter, we were awarded twenty-year capacity contracts for 400 megawatts of battery storage from the grid operator in Ontario through a joint venture with our First Nations partner. The projects have attractive risk-adjusted return profiles given the long-dated fixed revenue stream and high-quality offtaker. It should also be noted that Neoen (soon to be us) participated in the same Ontario auction, winning an equal amount of these attractive contracts.

We also began construction on 220 megawatts of battery storage capacity in Texas, targeting commissioning in the second half of 2025 and strong returns. With these development projects and the closing of our Neoen acquisition, we will be one of the largest battery developers globally with 2,300 megawatts of operating and under construction capacity.

Including our pumped storage assets, which are benefitting from the same demand drivers as batteries, we will have 5,000 megawatts of operating and under construction storage capacity. Alongside our hydro assets which have significant reservoir capacity, these assets are increasingly critical to enabling the deployment of low-cost 24-7 renewable power solutions that meet customers' needs and represent a significant competitive advantage for our business.

And our existing portfolio is performing well

We generated FFO of \$339 million this quarter, up 9% from the prior year, or \$0.51 per unit, benefiting from asset development, recent acquisitions, and strong all-in pricing. We continue to diversify our business and enhance the durability of our cash flows and expect to achieve our 10%+ FFO per unit growth target for the year.

Our hydroelectric segment delivered FFO of \$136 million, benefiting from strong all-in pricing, particularly in North America, and solid generation in Brazil.

Our wind and solar segments generated a combined \$194 million of FFO, driven by recent additions in North America, Europe and India. The segment benefited from organic growth and M&A with an additional 7,200 megawatts of net operating capacity compared to the prior year.

Our distributed energy, storage, and sustainable solutions segments generated a combined \$86 million of FFO in the quarter as we continue to grow this segment through M&A and organic development. Westinghouse, our nuclear services business, continues to perform well, and the outlook is getting stronger. We are seeing long-term upside in the business expectations from when we acquired the business, driven primarily by an improved outlook for the nuclear fuel business and new plant deployment, as the only baseload carbon-free power at scale that exists with current proven technologies. As new nuclear generation is increasingly viewed as part of the solution to growing electricity demands, both for corporate customers, including technology players, and centralized utilities, we are exceedingly well-positioned to benefit, given Westinghouse's global leadership position and leading technology offering.

We continued to grow and advance our development pipeline which now stands at 200,000 megawatts with 65,000 megawatts at the advanced stage. We expect to commission approximately 7,000 megawatts of new capacity this year, which when completed will add approximately \$90 million of annual incremental FFO. We are scaling up our development activities and expect to grow our annual commissioning capacity to approximately 10,000 megawatts per annum over the next several years.

Balance sheet and liquidity

Our balance sheet is very strong and we have \$4.4 billion of available liquidity providing us the flexibility to deploy scale capital in the current environment where we are seeing a significant volume of opportunities to invest at attractive risk adjusted returns.

During the quarter we took advantage of tightening spreads by executing \$1.7 billion of project level financings. We continue to execute on opportunities to refinance project level debt extending maturities in what is a constructive market for investment grade financings.

In July, we opportunistically issued C\$300 million of 10-year notes and C\$100 million of 30-year notes at interest rates of approximately 4.9% and 5.4%, respectively. The issuances extended our average corporate debt maturity profile beyond 12 years at an attractive cost of capital.

We continue to see opportunities to monetize de-risked operating assets at attractive returns. In the quarter, we executed on asset sales generating over \$400 million in proceeds (~\$250 million net to Brookfield Renewable) and two times our invested capital.

We are well positioned to continue to rotate capital in this market, with both a large pipeline of development projects that we are de-risking and bringing into operation, as well as an expansive global portfolio of operating assets which we have acquired, de-risked, or developed over the years.

We have been advancing several additional sales processes at very attractive returns and expect to generate approximately \$3 billion (\$1.3 billion net to Brookfield Renewable) in proceeds this year from recycling, our highest year ever.

Outlook

The outlook for clean power and our business continues to improve, driven by corporate and industrial demand and broad stakeholder support. We are a customer focused business looking to provide solutions to our partners, whether through large, multi-year agreements like our renewable energy framework agreement with Microsoft or on a more targeted project-by-project basis. We will continue to employ this approach and go to where the demand growth is, while maintaining a high degree of discipline.

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 rest of the year.

Sincerely,



Connor Teskey
Chief Executive Officer

August 2, 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 assets), 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 our 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 and FFO per Unit, which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of 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 June 30th” included elsewhere herein and “Financial Performance Review on Proportionate Information - Reconciliation of Non-IFRS Measures” included in our unaudited Q2 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 Q2 2024 Interim Report.*