

Letter to Unitholders

Over the last two decades, Brookfield Renewable has become one of the premier, global, renewable energy companies. We have close to \$50 billion of renewable assets, a \$16 billion market capitalization (including our recently announced merger with TerraForm Power) and a 20-year track record of stable and growing dividends delivering a 17% compounded annual return to unitholders.

As a special advantage in this “greening world”, our business avoids over 28 million tonnes of CO₂ annually and this number continues to grow each year. As the world transitions to renewable energy and looks to reduce CO₂ consumption, we believe we are one of the entities of scale, with the track record and global capabilities to deliver investors a resilient, stable distribution plus meaningful growth through all market cycles. As always, our objective remains the same - deliver 12-15% total returns, on a per-unit basis, over the long-term.

We are currently in the midst of an unprecedented global health and financial crisis. In spite of the significant market volatility and a potentially deep recession, our operations remain resilient, our earnings are expected to be stable, and our financial position, which allows us to pursue growth, is in excellent shape.

First, as it relates to our operations, we are fortunate to benefit from a depth of technical and commercial expertise within the business from our approximately 3,000 colleagues around the world who manage our facilities at the highest standards, every day. Their expertise, dedication and hard work have been critical to our success for many years, but it is times like this, where their speed of decision-making, prudent risk management and ability to be flexible in light of unique working conditions, is both deeply evident and tremendously valuable.

Our business produces and delivers clean, renewable energy to over 600 customers around the world under long-term power purchase agreements. Over the years, we have focused on ensuring those agreements were both long-term and backed by creditworthy counterparties. Accordingly, the revenue profile of our business is very stable and diversified. More importantly, we believe the demand for renewable energy will continue to grow, perhaps at an even faster pace, as countries look to protect themselves from exogenous risks such as we are experiencing today.

From a financial perspective, we continue to capitalize the business utilizing a strong investment grade balance sheet and long duration non-recourse debt, while maintaining high levels of liquidity (over \$3 billion currently) as a cushion against unexpected events. This ensures that we maintain a low risk financial profile. Accordingly, in the last two months, we raised over \$1 billion of attractive asset level and corporate green financings. This includes \$560 million of ten-year asset level financing at one of our hydro facilities in the United States with an all-in coupon of 4% and an additional approximately C\$350 million of ten-year corporate bonds in Canada, at approximately 3.5%. We have operated the business this way for many years, always prioritizing financial strength and flexibility. We recognize that this can often get overlooked as part of investors' risk-reward equation, in particular during expansionary periods; however, we believe it is critical to our long-term success, and over time, contributes meaningfully to the compounding of our cash flows and the total returns delivered by our units.

In spite of the significant market turmoil, we continue to focus on building the business for the future. We recently agreed to merge our subsidiary, Terraform Power ("TERP"), into Brookfield Renewable, on an all stock basis¹. The merger will simplify our structure, diversify our holdings, and strengthen our business in North America and Europe. It will increase our public float of shares by approximately \$1.5 billion and will facilitate the issuance of Brookfield Renewable Corporation ("BEPC") shares, which should help current shareholders who may prefer to hold a C-Corp share and potentially attract new shareholders. In addition, we have continued to advance our healthy M&A and development pipeline, which remains on track to deliver investment opportunities of \$700-800 million of net equity in 2020, in-line with our targets.

Results from Operations

During the first quarter, we generated FFO of \$217 million, or \$0.70 per unit, reflecting solid performance, as our operations benefited from strong underlying asset availability and resource, and growth and efficiency initiatives. On a normalized basis, our results are up 5% over last year.

Our business continues to benefit from our growing and diverse generation portfolio, limited off-taker concentration risk, and a strong contract profile. During the quarter, overall generation was slightly ahead of long-term average as we continue to benefit from the diversity of our fleet. Our focus over the last decade has been to diversify the business which, over the long-term, mitigates exposure to water, wind and sun, regional or market disruptions, and potential credit events.

For example, with over 600 counterparties, we have a diversified high-quality customer base comprised primarily of public power authorities and utilities that is insulated from single counterparty risk. Our single largest non-government third-party customer represents 2% of generation, providing strong downside protection and safeguarding our cash flows. Furthermore, our cash flows are long duration, with a weighted-average remaining contract length of 14 years. The portfolio is largely contracted, with 95% of total generation contracted in 2020, meaning our business does not have meaningful exposure to short-term price declines from slowing economic activity or lower power demand.

During the quarter, our hydroelectric segment delivered FFO of \$222 million. Our storage segment performed particularly well, generating \$6 million of FFO in the quarter. Our focus in Latin America continues to be extending the average duration of our power purchase agreements where power price volatility provides opportunities to enhance and stabilize future revenues. In this regard, we signed 17 contracts in the quarter with high-quality, creditworthy counterparties for a total of 312 gigawatt-hours per year. As a result, today our contract profile stands at 9 years and 3 years in Brazil and Colombia, respectively.

In North America, where power prices remain low, we are focused on securing shorter term contracts at our hydroelectric facilities to ensure we retain upside optionality for when we believe prices will improve. Across our hydroelectric fleet in North America, starting next year, we have three contracts rolling off for assets that primarily deliver power to markets in the U.S. northeast. Fortunately, these contracts, on a net basis, deliver power at prices in the range of the current market. Therefore, on renewal, we expect minimal impact to our overall revenue. Beyond these contracts, we do not have any material PPA maturities in North America until 2029.

¹The transaction is subject to customary closing conditions, including the non-waivable approval of TERP shareholders representing a majority of the outstanding shares of TERP Class A common stock not owned by Brookfield Renewable and its affiliates.

Our wind and solar segments generated a combined \$62 million of FFO, as we continue to generate stable revenues from these assets and benefit from the diversification of our fleet and highly contracted cash flows with long duration power purchase agreements. We also continue to execute on opportunistic O&M outsourcing agreements aimed at de-risking our portfolios and, where appropriate, delivering cost savings. We are in the process of implementing four such agreements across our portfolio, all of which provide attractive availability guarantees and a more comprehensive scope than what is currently in place.

Balance Sheet and Liquidity

Our liquidity position remains robust, with over \$3 billion of total available liquidity. During the quarter, we bolstered our liquidity position, by executing on key financing and capital raising initiatives, all while maintaining a low-risk balance sheet.

Our balance sheet has a BBB+ investment grade rating, no material maturities over the next five years, an average overall debt duration of 10 years, and 80% of our financings are non-recourse to BEP. So far this year, we have executed \$1.4 billion of financings across the business, and we continued to advance our green financing initiatives. We further diversified our sources of capital by issuing our inaugural green perpetual preferred units for \$200 million at 5.25% in the U.S. market, in addition to the approximately C\$350 million of ten-year corporate green bonds issued in early April. In aggregate, we will have completed \$2.8 billion in green financing initiatives over the last two years.

We also continued to execute our capital recycling strategy of selling mature, de-risked or non-core assets to lower cost of capital buyers and redeploying the proceeds into higher yielding opportunities. During the quarter, we completed the sale of our solar assets in Thailand that we had acquired through our investment in TerraForm Global, for proceeds of \$94 million (\$29 million net to BEP), allowing us to realize an over 30% return on our original invested capital.

We also have limited exposure to foreign exchange volatility as we employ a disciplined hedging strategy where we hedge developed market exposure and opportunistically hedge our emerging market exposure, where cost effective. As a result, 25% of our FFO in 2020 is exposed to foreign currency volatility, meaning an overall 10% move in the currencies of markets we operate in (developed or emerging) would have an overall 2.5% impact to our FFO. Indeed, during the quarter, while we saw a dramatic strengthening of the U.S. dollar versus all the foreign currencies in which we operate, the impact on our business was \$9 million of FFO or less than 4%.

Outlook

We have seen heightened market volatility and unprecedented disruption around the world, but the strategic and operating decisions we have made across our business over the last number of years ensures that we are well positioned to withstand short-term economic impacts, while continuing to allocate capital and build the business for the future.

In light of all of this, we believe Brookfield Renewable represents one of the most compelling opportunities for investors to participate in the substantial, multi-decade effort to decarbonize global electricity grids and move to cleaner, renewable sources of energy.

As always, we remain focused on delivering on our long-term total return targets. Thank you for your continued support and stay safe.

Sincerely,

A handwritten signature in black ink, appearing to be 'Sachin' followed by a stylized surname.

Sachin Shah
Chief Executive Officer

May 6, 2020

Cautionary Statement Regarding Forward-looking Statements

This unitholder letter 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 unitholder letter 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 the completion of the special distribution of Class A exchangeable subordinate voting shares (“BEPC shares”) of BEPC, BEPC’s eligibility for index inclusion, BEPC’s ability to attract new investors as well as the future performance and prospects of BEPC and Brookfield Renewable following the distribution of BEPC shares, the proposed TERP acquisition, the prospects and benefits of the combined company, including certain information regarding the combined company’s expected cash flow profile and liquidity,, the expected proceeds from opportunistically recycling capital, as well as the benefits from acquisitions and Brookfield Renewable’s global scale and resource diversity. 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 unitholder letter. 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 unitholder letter include (without limitation) the fact that there can be no assurance that the stock exchanges on which BEPC intends to apply to list the BEPC shares will approve the listing of such shares or that BEPC will be included in any indices; our inability to identify sufficient investment opportunities and complete transactions, including the proposed TERP acquisition; uncertainties as to whether TERP’s stockholders not affiliated with Brookfield Renewable will approve any transaction; uncertainties as to whether the other conditions to the TERP acquisition will be satisfied or satisfied on the anticipated schedule; the growth of our portfolio and our inability to realize the expected benefits of our transactions or acquisitions, including the proposed TERP acquisition and the proposed special distribution of BEPC shares; weather conditions and other factors which may impact generation levels at facilities; 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 Brookfield Renewable and other risks and factors that are described therein and that are described in Brookfield Renewable’s and BEPC’s F-1/F-4 described below and the preliminary prospectus filed with the securities regulators in Canada qualifying the special distribution of BEPC shares.

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 unitholder letter 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.

Additional Information and Where to Find It

This communication is neither a solicitation of a proxy nor a substitute for any proxy statement or other filings that may be made with the SEC. Any solicitation will only be made through materials filed with the SEC. Nonetheless, this communication may be deemed to be solicitation material in respect of the TERP acquisition by Brookfield Renewable, BEPC and TERP. Brookfield Renewable and BEPC have filed relevant materials with the SEC, including a registration statement on Form F-1/F-4 (Registration Nos. 333- 234614 and 333-234614-01) (the “F-1/F-4”), as filed with the SEC as an amendment to Form F-1, that includes a proxy statement of TERP and also constitutes a prospectus of Brookfield Renewable and BEPC. The registration statement has not become effective and the proxy statement and prospectus included therein are in preliminary form. After the F-1/F-4 is effective, a definitive proxy statement/prospectus will be sent to TERP stockholders and will be filed with the SEC. This communication is not a substitute for the registration statement, proxy statement/prospectus or any other documents that Brookfield Renewable, BEPC or TERP may file with the SEC or send to stockholders in connection with the TERP acquisition. STOCKHOLDERS OF TERP ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROXY STATEMENT/PROSPECTUS, BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE TERP ACQUISITION.

Further, the F-1/F-4 includes a prospectus that has been filed by Brookfield Renewable and BEPC with the SEC for the special distribution of BEPC shares. You should read the prospectus in the F-1/F-4 and other documents that Brookfield Renewable and BEPC have filed with the SEC for more complete information about the special distribution of BEPC shares. Investors and security holders may obtain copies of the F-1/F-4, including the proxy statement/prospectus relating to the TERP acquisition, the prospectus relating to the special distribution of BEPC shares and other documents filed with the SEC free of charge at the SEC’s website, <http://www.sec.gov>. Copies of documents filed with the

SEC by TERP are available free of charge on TERP's website at <http://www.terraform.com/>. Copies of documents filed with the SEC by Brookfield Renewable and BEPC are available free of charge on Brookfield Renewable's website at <http://bep.brookfield.com/>.

Participants in Solicitation

TERP and its directors and executive officers, BEPC and its directors and executive officers, and Brookfield Renewable and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the holders of TERP common stock in respect of the TERP acquisition. Information about the directors and executive officers of TERP is set forth on its website at <http://www.terraformpower.com/>. Information about the directors and executive officers of Brookfield Renewable is set forth on its website at <http://bep.brookfield.com/>. Information about the directors and executive officers of BEPC is set forth on the F-1/F-4. Investors may obtain additional information regarding the interests of such participants by reading the proxy statement/prospectus regarding the TERP acquisition. You may obtain free copies of these documents as described in the preceding paragraph.

Non-solicitation

No securities regulatory authority has either approved or disapproved of the contents of this communication. This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.