

Letter to Unitholders

We had another successful year. We saw strong financial performance across the business, continuing our track record of double-digit average annual FFO growth for more than a decade. We agreed to deploy capital ahead of our targets, growing in every market we operate, while dramatically expanding our renewable operations and also making our first transition investments. We delivered record performance from our development activities with 19,000 megawatts of capacity under construction and in advanced stages and increased our global development pipeline to almost 110,000 megawatts.

As we enter 2023, our business has tremendous momentum. We continue to be one of the largest owners, operators, and builders of clean energy globally, with strong growth prospects, and inflation-linked cash flows that are supported by double-digit years of weighted average contract life.

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

Given our strong financial and operating performance, robust liquidity, and positive outlook for the business, we are pleased to announce a 5.5% increase to our distributions to \$1.35 per unit on an annualized basis. This is the 12th consecutive year of at least 5% annual distribution growth since 2011, when Brookfield Renewable was publicly listed.

Highlights for the year include:

- Generated funds from operations (FFO) for the year of over \$1.0 billion, or \$1.56 per unit, an 8% increase over the same period last year. This was a result of the stability of our high-quality inflation-linked contracted cash flows, organic growth and commercial initiatives, and contributions from acquisitions.
- Advanced key commercial priorities including securing contracts for over 11,000 gigawatt hours per year of generation, continuing our approach of partnering on a global basis with the largest corporate purchasers of green power.
- Continued to accelerate our development activities, commissioning approximately 3,500 megawatts of new projects that are expected to contribute \$45 million of FFO annually on a run-rate basis. We also continue to execute on our 19,000-megawatt under construction and advanced stage pipeline, which, along with our sustainable solutions pipeline, is expected to contribute approximately \$235 million of FFO annually to Brookfield Renewable once commissioned.

- Closed or agreed to invest up to \$12 billion (\$2.8 billion net to Brookfield Renewable) of capital across multiple transactions and regions.
- Maintained our strong balance sheet and executed approximately \$10 billion of financings, generating \$2 billion (\$1.2 billion net to Brookfield Renewable) in proceeds from upfinancings and bolstering our liquidity, which stands at \$3.7 billion, while continuing to minimize our exposure to floating interest rates or near-term maturities.
- Completed or are advancing up to \$4.6 billion (approximately \$1.6 billion net to Brookfield Renewable) of asset recycling activities.

A Record Year for Growth

2022 has been our strongest year for growth to date. We closed or agreed to invest up to \$12 billion (\$2.8 billion net to Brookfield Renewable) to be deployed over the next five years, which represents almost half of our growth target for that period. We invested across all major decarbonization asset classes, including utility-scale wind and solar, distributed generation, nuclear, battery storage, and transition investments. This puts us in an excellent position to outperform both our growth and return targets.

The investment environment for renewables remains highly compelling. Corporate clean energy demand, low-cost energy profile, electrification, and energy independence continue to be key trends accelerating renewable deployment. Our disciplined approach to investing, long-dated history of owning and operating clean energy assets, and access to large-scale capital put us in a leadership position. Our track record demonstrates that we are uniquely capable of capturing some of the most attractive scale opportunities and we expect to be able to replicate this strategy looking forward.

In renewable development, we agreed to invest up to \$6.4 billion (approximately \$1.4 billion net to Brookfield Renewable) of capital through both organic growth within our existing businesses and acquiring new complementary platforms that enhance our current offering. We invested in three large renewable development businesses in the U.S. — Urban Grid, Standard Solar, and Scout Clean Energy. With these investments, we continue to expand our presence in the U.S., and it continues to be our largest market with approximately 74,000 megawatts in operations and development. On the back of the Inflation Reduction Act and strong corporate demand, we are actively pulling forward development projects in the U.S., which is increasing the growth prospects of these businesses beyond our original underwriting.

Since this time last year, our global renewable power development pipeline has nearly doubled to almost 110,000 megawatts today. Included in this project pipeline are 19,000 megawatts which are advanced stage and construction-ready. This represents meaningful value in the ground and will contribute significant cash flows once completed. Additionally, our global, technologically diversified fleet means we are a partner of choice for multinational corporations seeking large-scale, low carbon energy solutions.

We also formed a strategic partnership with Cameco to acquire Westinghouse, one of the world's largest nuclear services businesses. We believe that nuclear power and hydroelectricity are the only forms of clean, dispatchable, baseload power generation and will be a key enabler of the rapid growth of intermittent solar and wind. As the leading original equipment manufacturer and provider of essential products and services to half the global nuclear power generation fleet, Westinghouse is a critical player in the energy transition. We expect total equity invested to be ~\$4.5 billion (up to \$750 million net to Brookfield Renewable). We, alongside our institutional partners, will

own a 51% interest with Cameco owning 49%. Westinghouse is well positioned to capture the increasing global tailwinds for nuclear and expect the transaction to close in the second half of 2023.

Lastly, we entered a number of new high growth transition asset classes that are complementary to our core renewable assets, including carbon capture and storage, recycling, and renewable natural gas (“RNG”), through small upfront investments with experienced partners, that are structured with downside protection, discretion over future investment and significant potential upside returns on our capital. This includes an investment in California Bioenergy, a leading California-based developer, operator, and owner of RNG assets. We have invested an initial \$150 million (\$30 million net to Brookfield Renewable) into the business in a downside protected convertible structure and have a priority right to invest up to an additional \$350 million (\$70 million net to Brookfield Renewable) to support the development of new agriculture RNG assets, many of which have offtakes with corporate customers we know through our renewable platform.

Our Access to Capital Has Become Increasingly Valuable

We have said for many years that the strength of our balance sheet and our ability to invest alongside large-scale institutional capital represents a significant competitive advantage.

Throughout our history, we have prioritized capitalizing the business with a strong investment grade balance sheet, utilizing long duration non-recourse debt, and maintaining high levels of liquidity. We have operated this way for many years, ensuring that we maintain a low risk financial profile and focusing on financial strength and flexibility. We recognize that this can often be 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.

Furthermore, our structure of investing alongside Brookfield's private funds provides access to scale, long-term institutional capital, allowing us to target sizable deals where there is often limited competition. Combined with our platform capabilities, this allows us to execute some of the largest and most attractive decarbonization opportunities, positioning us to generate strong risk-adjusted returns.

Investor appetite for the energy transition remains very strong. We have seen significant institutional demand to invest alongside experienced owners, operators, and investors like us. The success of Brookfield's first \$15 billion transition fund demonstrated this, establishing the world's largest private fund dedicated to facilitating the global transition to a net-zero economy. A key part of Brookfield's private fund strategy is developing relationships with large pools of long-term private capital who seek both the opportunity to invest alongside us, both by investing in our private funds, and also directly in the investment as co-investors. This co-investment program further enhances our access to capital, and it provides another source of liquidity.

In today's market, where access to capital is limited for some market participants, this becomes an even more meaningful competitive advantage. Institutional capital supports our ability to invest in great businesses and achieve strong results that maximize long-term returns for our investors. The scale of our transition fund, and the institutional relationships and capital it brings, is another meaningful step change in our funding strategy that we will continue to employ as we grow our business.

Operating Results

Our underlying business continues to perform very well. During the year, we generated FFO of over \$1.0 billion, or \$1.56 per unit, reflecting solid performance and an increase of 8% versus the same period last year. Our operations benefited from strong global power prices, and continued growth, both through development and acquisitions.

Our business is backed by high-quality cash flows, in large part from our perpetual hydro portfolio, which has become an increasingly valuable source of clean, baseload power as more intermittent renewables come online. With over 5,000-gigawatt hours of generation available for re-contracting across our portfolio over the next five years, and the positive pricing environment for our hydro portfolio, we have significant capacity across our fleet to execute on accretive contracts that we expect to contribute additional FFO and generate a low-cost funding source for our growth.

Our hydroelectric segment delivered FFO of \$667 million. Our hydro assets globally continue to exhibit strong cash flow resiliency given our increasingly diversified asset base, inflation-linked power purchase agreements, and ability to capture strong power prices.

Our wind and solar segments generated a combined \$579 million of FFO. We continue to benefit from contributions from acquisitions and the diversification of our fleet, which are underpinned by long duration power purchase agreements that provide stable revenues. Our distributed energy and sustainable solutions segment generated \$154 million of FFO, benefiting from both acquisitions and organic growth across the portfolio.

We have also increased the scale of our development activities, almost doubling our renewable power pipeline from 62,000 megawatts last year to almost 110,000 megawatts today. In 2022 alone, we commissioned approximately 3,500 megawatts of capacity, including completing our 850-megawatt Shepherds Flat wind repowering project on time and on budget.

Furthermore, we have strong visibility into our near-term development pipeline, with almost 5,000 megawatts of projects representing significant dollars in the ground that we expect to build out in the next year and for which we have secured substantially all required funding. Additionally, over 14,000 megawatts of our remaining advanced-stage development projects have been materially de-risked. Together with our sustainable solutions pipeline, these projects are expected to contribute approximately \$235 million of incremental run-rate FFO once commissioned.

Balance Sheet and Liquidity

Our financial position remains excellent, and our available liquidity is robust, providing significant flexibility to fund our growth. We are resilient to rising interest rates globally, with over 90% of our borrowings being project-level non-recourse debt, with an average remaining term of 12 years, no material near-term maturities in the next five years, and only 3% exposure to floating rate debt.

Despite market volatility, our access to deep and varied pools of capital continues to be differentiated. We have approximately \$3.7 billion of available liquidity, giving us significant financial flexibility during periods of capital scarcity. During the year, we secured approximately \$10 billion of financings across the business, resulting in approximately \$2 billion (\$1.2 billion net to Brookfield Renewable) in upfinancing proceeds.

We are also accelerating our capital recycling activities, which are both an accretive funding lever and a critical part of our full-cycle investment strategy. We expect to imminently close the fifth and final tranche of the sale of our 630-megawatt solar portfolio in Mexico, generating \$400 million in the aggregate (\$50 million net to Brookfield Renewable). Furthermore, we are advancing numerous capital recycling opportunities, which have attracted lower cost of capital buyers searching for de-risked and mature renewable assets. In this regard, we have initiated several capital recycling initiatives that could generate up to \$4 billion in aggregate (\$1.5 billion net to Brookfield Renewable) of proceeds when closed and provide significant incremental liquidity in the coming quarters.

Outlook

Our long-term goal remains to deliver 12-15% long-term total returns for investors. To do this, we will continue to be disciplined allocators of capital by leveraging our deep funding sources and operational capabilities to enhance value and de-risk our business.

On behalf of the Board and management of Brookfield Renewable, we thank all our unitholders and shareholders for their ongoing support. We are excited about Brookfield Renewable's future and look forward to updating you on our progress throughout 2023.

Sincerely,

A handwritten signature in blue ink, appearing to read 'CT', is positioned above the name Connor Teskey.

Connor Teskey

Chief Executive Officer

February 3, 2023

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. 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 FFO, FFO per Unit, which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of Adjusted EBITDA, 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 - Year Ended December 31” included elsewhere herein and “Financial Performance Review on Proportionate Information - Reconciliation of Non-IFRS Measures” included in our audited Q4 2022 annual 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 2022 Annual Report.