**Brookfield Investor Conference**

**September 21, 2021**

**Corporate Speakers:**

- Mark Carney; Brookfield Renewable Partners; Head of Transition Investing
- Connor Teskey; Brookfield Renewable Partners; CEO
- Ruth Kent; Brookfield Renewable Partners; COO
- Wyatt Hartley; Brookfield Renewable Partners; CFO

**Participants:**

- Unidentified Participant; Unknown Company; Analyst
- Andrew Kuske; Credit Suisse; Analyst

## PRESENTATION

Mark Carney: Okay, going to try to call this to order. Be helped by  have my colleagues with me. So good morning everyone here. And good afternoon, good evening to those joining us virtually.

I'm Mark Carney, Vice Chair of Brookfield focusing on transition finance and impact investing and it is a great pleasure for me to be here today to talk about Brookfield Renewables.

But I want to say before I really begin just  how thrilled I am to be a member of the Brookfield team. I joined a little more than a year ago and I joined first and foremost because I knew the senior partners, I've admired them for decades, Bruce, Cyrus, Sam, Brian Lawson who's here as well and admired the business that they built, which is truly incredible.

But I also joined because I felt that the core competencies of the firm, building and managing the backbone of the global economy, were uniquely positioned to take advantage of an enormous commercial opportunity created by the social imperative of addressing climate change.

And so there was a meeting of the two and I can say I certainly haven't been disappointed. I've been - it's exceeded my expectation.

Now the agenda for this morning, I'm going to spend a few minutes on that commercial opportunity, the decarbonization opportunity and then our CEO Connor Teskey is going to come up and give an overview of the business and talk about some of the growth opportunities.

Ruth Kent, Chief Operating Officer, will join us via video to put a spotlight on the development pipeline, which is quite extensive geographically in biotechnologies as you'll see.

And then Wyatt Hartley, our CFO, will be up to talk about the finances. And obviously we'll make ourselves available for your questions.

So, just in terms -- I want to start in terms of being a little more specific about what's happening on decarbonization. And some of you are aware, anyone who came from Midtown or above certainly is aware that it's U.N. week.

You can tell from the traffic, 100 odd leaders actually here amazingly. I wouldn't thought we would have got a 100 leaders here given the health situation, the rest virtually. And there's effectively one focus. The focus is on climate.

I was at the leader's meeting yesterday. I met with some earlier today and the acceleration President Biden's making an announcement probably as we speak related to this in Washington and the point I want to make is that, and I'm going to draw this out, is that momentum really is building around decarbonization and it's not just, or it's much more is a better way to put it, much more than longer term objectives, important as those are.

But what's happened in the last 18 months, since the U.K. assumed the presidency of this COP process, this climate change process, is countries are making 10-year commitments.

(Technical difficulty) happened in the last 18 months since the U.K. assumed the presidency of this COP process, this climate change process, is countries are making 10-year commitments.

And as you can appreciate that's within the investment horizon and they're backing up those commitments increasingly with policies. So within the last few months we've seen Canada increase its commitment from 30% decarbonization to 40% to 45% by 2030. That was reconfirmed in the election overnight.

The U.S. for the first time having an objective, 50% to 52% down by 2030 and a clean energy grid by 2035 consistent with that. Europe down 55% by 2030. U.K. 68%. And importantly in the major emerging economies, while the commitments are not yet, for example for India for net zero the scale of their commitments that they've made and they will make more before we get to COP, but the ones that they've initially made imply quite substantial reductions in emissions intensity and very, very large growth in renewables.

So one of the things that, I think from a financial perspective, has been obvious is that this broader movement towards sustainability I think we're familiar with. You look at, for example, green bond issuance which has tripled over the course of the last three years or the proportion of funds in ESG fund which has gone up by four times. I'd like to say, that is all a sideshow. That is a sideshow to what we're talking about.

This is about the mainstreaming of the transition towards net zero. And I want to draw out a bit in terms of the scale and speed of the change. So this - the next couple of slides are going to track progress in the past 18 months.

So we've gone from 30% of global emissions being covered by countries that have a net zero commitment, so a 20, 50 or so net zero commitment and as I just mentioned a moment ago those countries are increasingly having those shorter term 10-year objectives. So we had less than a third at the start of 2020 pre-pandemic.That, it's just under three-quarters now. It's 73% to be precise.

And in terms of the range of countries, it is a, it's a bigger shift. Now what this doing is it's moving the concept of sustainability from a sort of fuzzy concept to something very concrete which is anchored around net zero. And, of course, the reason for the net zero focus is that it's an imperative of climate physics. We can't stabilize the temperature of the climate unless we get to net zero carbon. And that's whether it's at 1.5 degrees, 2, 2.5 degrees or beyond.

And the meeting in 40 days, now, the Glasgow Climate Meeting, is expressly a net zero COP. There are lots of words around it, but the core focus is to up those country commitments, keep 1.5 degrees temperature increase alive in terms of - in terms of the commitment by countries and to ensure that this is changing the incentives in all of our economies.

And here's an example of how that concept of net zero, those objectives of net zero are cascading down to the level of companies and, as I'll say in a moment, to finance. Basically 3,000 of the world's largest companies, these are not small companies, largest companies have committed now and are actually in the process of having the most rigorous form of net zero plans. So those are so-called science-based net zero plans.

Thousands more in the pipeline and I would say with a pretty high degree of confidence that in the next three years a net zero plan, a net zero commitment and a plan to achieve it will be the norm for public companies.

And part of the reason is this, 18 months ago there was $5 trillion of assets in the global financial system that itself had a net zero objective. So managing their portfolios so by 2050 those portfolios were net zero.

What's happened in the course of the last 18 months is we've multiplied that by 18;we've multiplied it 18 times and so this is the world's largest asset owners, asset managers, banks across 40 countries and counting.

There's a number of major announcements coming in the next few weeks. Our objective originally when we started this 18 months ago was to get the number to 10 trillion, believe it or not. It was the U.N. was setting that objective. They aimed low.

And so, if you - well, don't - I was going to say, if you want to work somewhere and out-perform work for the U.N., but they don't pay very well actually, so don't do that. They pay for performance.

Anyways, the objective was 10, we will get that to 100 trillion and counting. So we're moving up to a third, probably 40% when all is said and done of global financial assets that have a net zero objective.

Okay, so what? Net zero 2050. To some extent you could free ride to that if the world moves to net zero. But these objectives as part of something called the Glasgow Financial Alliance for Net Zero, which is this group, includes a commitment to fair share of the 45% reduction that needs to happen by 2030 for each of those institutions. Five-year decarbonization plans for each of those institutions.

Separate out by sector for each of the banks and annual reporting. And so this is at - in the pipeline this is what's happening now and will, in our judgment, materially change access to capital and pricing of capital consistent with - consistent with what needs to happen.

Now, the important point is that we are now in a position where 60% of global emissions can be evaded with commercially viable technologies today. Now, we're going - we're going to show why we're at the center of that. But this takes well into the next decade, into the 2040s in terms of the potential to be on path towards net zero.

But, the scale of what needs to happen is quite enormous. I mentioned the 45% reduction to be on the pathway and that's because the world's emitting about 50 gigatons of carbon today, carbon equivalent. Our carbon budget is about 400, it's a little less than 400 gigatons, so you can do the math.

That means we have less than a decade to exhaust the carbon budget that would otherwise keep us at 1.5 degrees. So there needs to be basically a 7% compounded reduction in emissions over the course of the next decade.

We accomplished that last year. Of course, we accomplished that by shutting down about a quarter of our economies. And we can't continue to do that, we can't compound that. And it underscores the point that we need to invest and grow in order to get to net zero.

And that scale of investment is huge. Historically investment in renewable power generation about $300 billion a year, big number, it needs to scale 10 to 15 fold on an annual basis, but by the latter part of this decade and extend for the next two decades to complete the transition to net zero.

And actually for those macroeconomists in the room, that increase in terms of energy investment is on the order of magnitude of 2 percentage points of GDP. So that's above and beyond the scale of all the investment in the energy sector today.

And that's enough to eliminate the famous savings glut that's developed over the course of the last 15 years. So it's a major transformation. Now – and it's a whole economy transition that means across the electricity grids, displacing fossil fuels and coal with renewable power.

It's an entirely new infrastructure for the transportation sector. And one of the things that we are seeing and have seen in the last year has been the country 2030 commitments have driven commitment in particularly the auto sector to move fully to zero emission vehicles.

So, the United Kingdom has put a moratorium on internal combustion engine vehicles from 2030. So you will not be able to buy a diesel or gasoline or petrol driven car after 2030 in the U.K., 2035 for Europe, 2035 for Canada. And emission standards in a number of other countries which are having the effect of virtually a full moratorium.

And of course what we're seeing is the major auto companies are moving themselves to fully zero emission vehicle commitment from Nissan to GM and beyond.

What does that do? It creates a need to, if I can extend that analogy, a need for some new vertebra in the backbone of the global economy. We need a new charging infrastructure for the system. That charging infrastructure of course for the – for the climate impact to really work has to be backed by fully renewable power, zero emission power. And, again, this is just straight up the alley of the expertise of Brookfield.

You heard a moment ago from Sam and his colleagues mentioning the opportunities that they see on carbon capture and storage. Hugely important technology for the development of the hydrogen economy but also for reducing industrial emissions. And, again, the type of technology that not just touches many sectors in the economy but goes directly to the expertise that we have.

Now I just – we wanted to put down just some of the orders of magnitude of the shifts and give a sense of the timing. It's a slightly complicated slide, but if you look at the shading on the right-hand by each industry you get a sense of what needs to happen this decade, which is the lightest green there.

And the very important contribution from the power sector and you can see we're moving towards the core of Brookfield Renewable. The opportunity around energy infrastructure to add it up across the next three decades is up to, or it's more than, $150 trillion globally.

It's an absolutely enormous number, but it's the type of number that consistent with the fact that clean energy and electrification are the fundamental changes that need to happen in order to get to net zero.

We need to green the grid and we need to electrify everything we can. And to put a fine point on that, when we look at final direct demand, when we look at emissions, 75% - just under 75% of emissions can be traced back to energy and power generation. So it's

not just in the utilities but it's in the industrials, it's in the manufacturing, it's in the tech sectorAnd their enormous power needs. And part of what you'll hear, and a number of you would be aware of this, but you'll hear more about is the fact that some companies – increasing number of companies are taking matters into their own hands and getting their own scope to emissions down by contracting renewable power.

And if they're one of the 3,000 and counting global companies that's trying to move towards net zero they want a global solution in order to do that.

So, to summarize, this global imperative for net zero has accelerated in the last 18 months. It's moved from, as I said a moment ago, from a fuzzy sustainability concept to something quite concrete. Concrete objectives for country. Concrete objectives for companies. Objectives not in the distant future but in the – over the investment horizon. It requires a whole economy transition, it's touching all aspects of the economy.

The core of the financial system is moving for clear net zero objectives which is changing the pricing and is going to accelerate this process. And that all creates an absolutely enormous commercial opportunity, significant capital required and core confidences of global reach, access to that capital and critically, critically the types of operating expertise that Brookfield Renewable has is an essential part of the solution.

So, with that, what I'd like to do is invite the man who knows his stuff up. Connor Teskey, who's the CEO for Brookfield Renewable and he's going to walk through a bit of an overview of the company and highlight some of the opportunities for growth. Connor.

Connor Teskey: Good morning. My name is Connor Teskey and I am the CEO of Brookfield Renewable. First of all, before we get started, we'd like to thank everyone for joining us both here today, in the room, and those that have joined us online.

Before we hear from Ruth and Wyatt, we'd like to spend the next few minutes to walk through the current position of Brookfield Renewable, the growing tailwinds for our sector and the increasing growth prospects we see for our business. Today, Brookfield Renewable is a leading global clean energy company with over 50,000 megawatts of operating and development capacity in a platform that spans five continents.

And while our business has grown tremendously over the last few years, we see ourselves as tremendously well positioned to capture the decarbonization opportunity that Mark has just highlighted. For the better part of the last half century a small handful of global energy companies experienced sustained profitable multi decade growth.

These global energy companies were defined by global platforms, leading operating capabilities and the size and scale to capture the most attractive growth opportunities wherever they found them around the world.

Further, while delivering that multi decade growth, they continuously returned capital to their shareholders through growing dividends. As decarbonization increasingly becomes an objective of the global economy and more and more businesses are looking to electrify as opposed to power their business with fossil fuels, we believe that the next generation of energy supermajors will have the same attributes as those of the past but will be the ones that have leading capabilities and platforms focused on clean energy.

Today, we feel that we are well positioned as one of the only global renewables platforms that has operating assets, operating professionals, and growth teams in every major power market around the world ensuring that we see all the growth opportunities as well as giving us the flexibility to move our capital across our geographies to where we are seeing the best risk adjusted returns.

But it's not only flexibility across geographies; it's also flexibility across asset classes. Today, Brookfield Renewable has leading platforms across all major technologies. Our business, for over two decades, has been simply about being well positioned for the next large and attractive growth opportunity.

It's not that long ago, it was only 15-years ago that Brookfield Renewable was a pure play hydro company. But we took our experiences from owning, building and operating those hydros and when wind and solar became large and attractive asset classes we built leading global platforms in each of them.

From there we've expanded to off-shore wind, storage, distributed generation and increasingly more and more of our growth activity and more and more of our investments in recent years have been around energy transition. Providing decarbonization and energy transition solutions to governments and business around the world looking to decarbonize.

Our ability to leverage our knowledge from our existing assets and our previous experience not only ensures that we will continue to grow within our existing asset classes, but, we will be well positioned to take a leading position when new attractive asset classes come forward in the future.

And today, not dissimilar than it has always been in the past, our key differentiating factor is our operating and development capabilities. Our 3,000 operating professionals around the world ensure that we can invest and execute across the entire spectrum of opportunities for renewable power and decarbonization assets.

This means we can enter at the development stage where we can use our capabilities to secure land, grid connection and permits, we can market our own power, secure corporate offtakes, we can do our own construction and, of course, we can operate our own assets.

This not only gives us increasing organic growth opportunities within our business today, but, it also opens up a wider spectrum of investment opportunities where we are able to

buy assets that may be imperfect at a discount to their fundamental value and then use our operating capabilities to de-risk those assets under our ownership.

Further, it's the same operating and commercial capabilities that allow us to provide unique, customized solutions for our customers such as 24/7 green power, or global decarbonization partnerships. And we have done all of this without ever getting away from the bedrock of our business, which is our balance sheet.

Put simply, we always want to be in a position that we can execute the largest and most attractive investment opportunities whenever they become available. Today we continue to have the strongest credit rating in the sector, as well as a record level of liquidity, positioning us well for future growth opportunities.

And where all of that comes together – the global platform – sorry, the global platform, the leadership across all major technologies, the operating capabilities of the balance sheet. This has allowed us to accelerate our investments into growth as the industry has expanded around us.

In fact, we have deployed more capital into growth in the last five years than in the 25 years prior to that and we simply do not see that trend slowing down. And when we think about where we are finding those growth opportunities, we continue to find an increasing number of situations where we are able to differentiate ourselves using something other than cost of capital.

Even simply taking examples from the last 12 months, since we last presented here at Investor Day. In our distributed generation business, we completed a sizeable bolt-on that grew our platform to be the largest commercial and industrial DG business in the United States and brought in-house a DG development capability.

We invested in and are currently executing the largest wind repowering in the United States, and we also entered the offshore wind sector through the acquisition of a leading European platform with 3,000 megawatts of offshore wind development, 1.4 gigawatts of which received 25 year feed in tarriffs under Brookfield ownership.

And lastly, we've entered into a number of strategic collaboration agreements with leading corporates around the world such as Amazon, the largest global procurer – corporate procurer - of green power, whereby we will look to build new wind and solar assets to support Amazon's increasing green energy needs.

All of this has translated into that constant and stable growth in our profitability which has delivered double-digit CAGRs on a per-share basis over the last decade. That is a level we not only intend to maintain, but to push higher going forward.

And similar to those energy super majors of the past, we have done this while continuously returning capital to both our shareholders, and our unit holders, increasing

our dividends over the last decade at a CAGR of north of 6%, well within our 5 to 9% target – a target we maintain going forward.

But now, let's switch to the future. And put simply, the tailwinds for our business are stronger today than ever before. For those who have seen previous investor day presentations, for a number of years now we've been highlighting two key drivers for the global growth of renewables.

Growing decarbonization targets that Mark just spoke to, as well as renewables increasingly solidifying their position as the cheapest form of bulk electricity production around the world.

Both these dynamics have continued to play out over the last year, if not accelerate it. But today they are aided by a third, new and incremental growth driver for our business, which is due to the electrification that Mark spoke to, for the first time in more than a decade we have great visibility on a step-change increase for electricity that will be supplied by green power.

For years now we have spoken about how wind and solar are the cheapest forms of bulk electricity production in almost every major power market around the world. This is simply because as the global renewables industry continues to scale up, economies of scale are at play and production costs for wind and solar continue to go down, and this is going to continue into the future.

However, today there is a much more dramatic influencing factor that will further solidify renewables as the cheapest form of electricity production.

In markets around the world where carbon prices, or carbon taxes are being implemented renewables are now significantly cheaper than more carbon intensive forms of energy production, and well positioned to capture future growth, which is important because today we have great visibility on that future increase in electricity.

As major industries around the world view electrification as a key focus to decarbonize their businesses over the next 20 or 30 years, we are going to see a decline in the usage of fossil fuels in the production and products of these businesses, and that will be replaced by electricity.

This is going to be driven largely by the industrial and transport sectors- and renewables, given their low position on the cost curve, and their zero carbon emission profile - are well positioned to capture that growth.

And lastly, corporates around the world are increasingly looking to procure green power. This is a trend we've not only seen in our business, but in the industry more widely. And maybe to take a step back and explain that, today and in the past the vast majority of our business has been selling power directly to central grids or central utilities – that is still the largest component of our business and a growing one going forward.

However, more and more of our growth activity today is about producing and selling green electricity directly to the end consumer. And that is because procurement of green power to address your scope to emissions is the first step in decarbonization for many – almost every industry across the entire economy. Where all of this culminates is we expect to see a magnitude change in the build out of renewables over the coming two to three decades.

As you can see on the chart here, we are in the early stages of a multi-decade expansion of renewables as renewables not only take market share for more carbon intensive forms of energy production, but also capture the lion's share of that growing electricity demand.

Against that backdrop of increasing tailwinds and expansion of the entire industry, our strategy for growth is not going to change, but it is going to get bigger.

We continue to differentiate ourselves using our size, our global reach, and our operating capabilities to ensure that we source growth opportunities where we don't need to compete on cost of capital, and therefore we can be uncompromising in continuing to target 12 to 15% returns on our investments.

As Mark explained, more and more capital is flowing towards the sectors and asset classes related to ESG, decarbonization, and renewable power. And there are many investors in these spaces that cannot differentiate themselves in order to obtain that exposure, other than competing on cost of capital. For those investors, returns may be compressing.

But for investors such as ourselves who don't compete on cost of capital today, and have never competed on cost of capital in the past, the opportunity set is larger than it's ever been before.

Put simply, there are more growth avenues for our business today than at any point in our history. For many decades we've had two primary growth levers, M&A and organic development – and both of these growth levers are growing.

As the renewables industry has expanded on a global basis, there are more investment opportunities, and increasingly more M&A opportunities that lend themselves to investors such as us with that global reach, scale, and operating expertise. But it's the second bucket where we have seen a noticeable step change in the future growth of our business, this is in organic development.

Today we are seeing more and more de-risked opportunities to develop new renewables assets at premium returns. And Ruth is going to go into this in detail, but to put some perspective around this, in the next three years, 2021, 2022, and 2023 – in those three years alone we will bring more development assets, more development megawatts through to COD than Brookfield Renewable has in its entire history to date.

Said another way, we will triple our cumulative megawatts, delivered through in-house development, in the next three years alone. And what makes that stat even more impressive is: that only includes projects that are either currently under construction, or are ready to build and fully contracted. Those numbers are going to go up as we continue to operate our business over the next 24 months.

But on top of the growth in those two historic levers, we are seeing new growth avenues for our business today, notably in the energy transition and new asset classes like storage and green hydrogen. Let's dive into each of those more individually.

For the last five to seven years, more and more of our growth activity has been related to providing energy transition and decarbonization solutions to governments and businesses around the world that need either an operating partner or a capital provider to help them reach their own climate change or decarbonization goals.

Every business around the world needs to decarbonize, exactly as Mark said, and there are some great businesses out there that have the plan, the capability and the capital to transition themselves over the next 20 years, but there are also some great businesses out there that are missing one or a combination of those three things and that is where Brookfield Renewable is well positioned to be a helpful capital provider and partner and let's explain why we are such an obvious first call.

For almost every business around the world, the first step in their decarbonization plan is to address their Scope 2 emissions: the emissions that come from power consumption during the production of whatever critical good or service that business produces. And addressing Scope 2 emissions can be easily done through the procurement of green power, a space where Brookfield has been a leading producer and provider of for decades.

And why is green power procurement such an obvious first step in the decarbonization pathway? It doesn't cost the corporate anything. Green power is cheaper, if not the same price, as traditional forms of power. Further, corporate PPAs are a well-trodden path. No wheel needs to be recreated and, third, the carbon emissions avoided and the carbon emissions reduced as a result of using green power are easy to track.

What that does for Brookfield Renewable is: by being the counterparty to helping that corporate reach the first step of its decarbonization journey, we are well positioned to help them with steps two and three, which are typically something much more specific to that business or that sector.

That can be EV charging grids for an auto company, that can be carbon capture storage for an energy company, that can be helping a utility transfer from more carbon intensive forms of power production to zero carbon or renewable forms for the future.

We are also seeing sizable new growth opportunity sets in new asset classes and one that we are following very closely today is green hydrogen. Green hydrogen plays to the exact same strengths that we have built Brookfield Renewable on for multiple decades.

The build-out of the green hydrogen industry will require knowledge of power markets, knowledge of clean energy expertise, large scale capital and best-in-class development capabilities.

We view this market, while still in its infancy today, there is great visibility on both future demand growth and the required build-out of supply to support that demand in the short to medium term. And today, within our portfolio and looking at third party options, we are assessing 2-3 gigawatts of green hydrogen opportunities such that we will be well positioned to invest and scale as the cost curve continues to come down, exactly similar to how we did in wind and solar five to seven years ago.

Putting that all together, we believe we have a best-in-class decarbonization global platform. There are growing tailwinds to our industry and we are continuously finding new and incremental growth avenues for our business and therefore, today, it is with confidence that we are again increasing our growth target, now targeting $1 to $1.2 billion of annual equity deployment into growth initiatives.

With that, we'll now hear from Ruth Kent who is going to walk through our development capabilities, which, as we highlighted, is one of the key growth levers we see going forward.

Ruth Kent: Good afternoon. I'm very pleased to be speaking with you today and talking to you about our development pipeline and development capability. There's just a few things I'd like to touch on before we dive into the presentation. First off, Brookfield Renewable is a very experienced developer. From developing out complex hydro construction sites through wind and indeed solar, which is more modular in nature today, our teams have been doing this for quite a long time.

We also have a deep customer book, over 700 clients around the world, with increasing demand as a result of decarbonization and so we are very well positioned. Our teams have been sourcing and creating a derisked development pipeline and we're only just beginning.

This differentiated development capability has translated into meaningful growth, both for our organic business here and also for our M&A pipeline, and at superior returns. Our pipeline today stands at over 31 gigawatts and growing.

The geographies you see on the slide today reflect our established businesses, which are sourcing and generating new growth for us all the time. This puts us in a solid position. We are able to pick and choose where the value and risk present in the right way for us.

The teams that we're seeing today, by way of example, that are delivering that value are repowering in the U.S., more of which later, targeted solar and storage sites in multiple jurisdictions and of course we're very customer-led and so we're on site today developing both distributed and utility facilities for our customers. We're on site, in fact, on over 7 gigawatts of sites and that's across wind, small hydro, solar and storage.

In growing that book of business, we are, as always, as you'd expect from us, disciplined on returns, but we can be flexible in other regards and so when we're sourcing, we're sourcing from a number of options and we can be flexible in that sourcing. So we're sourcing of course, as I mentioned, from organic growth. Our teams are developing greenfield options, repowerings, extensions of our existing fleets.

They also have many developer relationships, feeder relationships I like to call them, around the world whereby we can step into a developer situation, a developer site, at any point of the development cycle, be it early or late , and we can finish out the development and of course we have large scale developer partnerships that are proving very successful for us.

All of this has resulted in enormous growth for us, as you can see on the slide, particularly as it pertains to utility, wind and solar. Solar is an area where we are seeing very compelling economics across all geographies and we're really leaning into that. We have also made our first step into offshore wind. We're finding that very exciting. Watch this space because we do intend to grow beyond Europe in the case of offshore.

We are customer-led in everything we do and so we are on site across a wide range of distributed energy solutions for our customers. Distributed generation is a high growth sector and it is also a stepping stone, we find. When you are behind the meter with a client and you execute well, you are often then into their decarbonization discussion and executing with them on either energy efficiency or indeed utility, scale, deliveries that we love to do.

Last on the page here, but certainly not least in our minds, is green hydrogen. We have line of sight on 200 megawatts of captive opportunity that we're beginning to execute today. However, beyond that, we see multiples. Perhaps that number on the page could be 2 or 3 gigawatts because we are in a number of discussions that would signal it should be and in time, I'm sure we'll be sharing those opportunities with you.

What I can say about green hydrogen is we have serious intent in the space, it is highly complementary to our existing businesses, particularly as it pertains to hydro. A fun fact for you. You see 31 gigawatts on the slide there. That would offset all of the emissions of the city of Houston.

There are many reasons that we are very confident around our execution, not least of all all of these customer relationships. We have signed as much as 9 terawatt hours out to 2022 and we're still active, still sourcing. We have a few highlights I'd like to share.

Our Brazilian team have been very active over the past 18 months, having signed up 1.3 gigawatts new build solar, and we're now on site building those facilities out and you would have heard Connor mention, on our earnings call, our technology partnership which will see us build out multiple megawatts across multiple jurisdictions over the coming years.

A major differentiator for us, of course, is our development and operating expertise. We have over 3,000 professionals in our business, CEOs with multi-decades of leadership experience to wind professionals, PhDs, solar PhDs and indeed new graduates that are starting their career with Brookfield.

If you walked the floors of any of our businesses, say Rio or New York, you would find yourself in a humming utility, growth-focused, exceptional talent with end-to-end capabilities you see on the slide. That's from greenfield right through to repowering or retiring an asset, everything in between and of course we are part of the broader Brookfield family which brings with it a much deeper set of expertise across a range of industries if we ever need to draw on it.

What makes all of this hum is the fact that we collaborate very well. That is the DNA of the Brookfield culture. When we're selecting sites or whether we're entering into new markets, we all come together and draw in the person with the most experience of that.

And as that pertains to development, our engineering teams, for example, are working very closely with our customer teams and our procurement teams when selecting sites, selecting the site that has the best resource, that has the best grid connection, but also is in a place where the customer wants it and our procurement teams are making sure that all of our construction teams around the world are getting the best-in-class technology and best-in-class terms and economies of scale that should come with being Brookfield. You bring all of that together and you definitely lock in more value.

To make all of this more real, I'm going to play a video for you now and it will take you right into one of our most exciting developments, Shepherds Flat in the U.S.

(Video Begins)

Ruth Kent: Brookfield is one of the world's largest renewable businesses. We're a global business that invests, owns, develops and operates renewable assets in multiple jurisdictions. We have the engineering skill in house that can develop an asset. We have the operators that can run that asset for you and the experts that market the power 24/7.

Mitch Davidson: Decarbonization, it's the catchphrase of the decade. Everyone is moving towards 100 percent renewable or energy supply to come from either a new or an existing green facility. Our markets are all moving that way.

Ruth Kent: Repowering is one of the key strategic themes we have in terms of delivering on decarbonization and it takes an existing facility or resort that's already there, enhances

the capture of energy at that facility at a fraction of the cost of new build. Shepherds Flat is an 845 megawatt wind farm in Oregon in the United States. It has over 340 turbines on the site. It's a vast array of turbines in a very windy area of the U.S.

When that opportunity came to us to consider repowering that facility, we were hugely excited. By modernizing the equipment at Shepherds Flat, we're extending the life by 30 years.

Mitch Davidson: So what we've done is we've gone from 100-meter blades to 127-meter blades. What that really does for us is during times when you have low wind periods, those extra long blades pick that wind up and we're actually generating power we wouldn't normally have generated and that's where we get our 25 percent increase in efficiency on the facility.

Ruth Kent: Across all of our facilities, we work very closely with the landowners. They're always key and the community within the area.

Unidentified Company Representative: Behind us, we have 50,000 acres of what was traditionally a livestock grazing ground mainly for sheep, but now we also have wind turbine technology and they coexist really well together. With the wind world, he's been able to better our water facilities for our livestock out here on the range and with that, it's been a benefit to the wildlife.

Unidentified Company Representative^ Shepherds Flat has always been hugely involved in the community and Brookfield plans on picking up that torch and running with it.

Mitch Davidson: Owning this asset for the next 10 or 15 years, there's a number of things that can occur. There's opportunities to optimize this asset at the end of the power purchase agreement. We actually have an expansion opportunity that came with the acquisition where we can build another 400 megawatts neighboring this facility.

Ruth Kent: This is absolutely a global opportunity. All of the existing wind around the world that is, say, 7 to 10 years old comes into a horizon where we would be looking at it and there's over 200 gigawatts of wind power around the world that we certainly will be targeting for repowering.

(Video Ends)

Ruth Kent: I hope you found that interesting. There are many, many highlights I could share with you from the great work our global teams are doing. We have a couple more on the slide here, starting with Janauba solar.

This is a 1.2 gigawatt new build solar facility – one of the largest in the world, if not the largest in the Americas. This was a developer acquisition, a good example of the type of flexibility we can bring.

We stepped in there and completed the remaining consenting that was required on the development side. We contracted the power fully and now we are on site into construction. There was -- there were a few things that we found very attractive about Janauba and it reflects on what I was saying earlier about screening sites.

So this particular location in Brazil is a very high irradiation area. So we were excited by the fact that this would be a high resource site and so the economies of scale that that brings, with the size of the site, were going to be very exciting.

We also were pleased that this site was in a submarket where there's very high energy demand and that resulted in two benefits to us. We knew it would achieve premium pricing because there were a lot of customers looking for it and also it eliminates basis risk for us. So, again, these are constant factors that we're thinking about when we're picking sites to screen for our development pipeline.

The other opportunity on the page pertains to green hydrogen, the new sector we were talking about earlier, and in this example, our Canadian team have stepped into a partnership with Enbridge where we are going to build out a green hydrogen electrolyzer facility and inject green hydrogen directly onto their gas grid.

That is an amazing opportunity for us and an excellent next step for our team and for our global business in their pursuit of green hydrogen opportunity.

I hope you're getting, from everything I'm sharing with you today, both the video and the content on the slides, that here at Brookfield Renewable, we are a proven delivery set. Our teams consistently create opportunities to grow our business without compromising returns. We see no reason to change that, having built out over 7 gigawatts to date at 15 to 20 percent returns.

Indeed, we have more than a clear path to the next 8 gigawatts. In fact, I consider it locked and loaded. It is consented, contracted and we are on site on the vast majority of it. Our teams are into execution and our growth teams are focused beyond this horizon, if I'm perfectly honest.

So in summary, we're facing into what is an incredible market opportunity, incredible growth. Our teams and our pipeline are set. We're ready for it and our growth has never been more secure than it is today. Thank you and I will pass you back to Wyatt.

Wyatt Hartley: Good morning. For those of you who don't know me, my name is Wyatt Hartley and I'm the CFO of the Renewable Group at Brookfield and maybe just as the last presenter today, just to echo Connor's sentiment of thanking everyone who joined us today, those who are online, but especially those of you who are here today. It's really good to see your faces, so thank you very much.

And so what I want to talk about today is in the environment that both Connor and Mark described where global decarbonization is creating what is likely the greatest commercial

opportunity of our time, why, in this environment, we believe that BEP is a must-own renewable stock and it really comes from three things.

First is our differentiated growth capabilities which positions us as one of the few businesses with the scale, with the strategy and the capabilities to take advantage of the increasing number of opportunities in the sector.

The second is the strength of our balance sheet and our self-funding model. And, finally, with our increased commercial and development activities, our cash flow growth is increasingly secure and I'll walk you through this shortly, but maybe to start first with our funding plan.

Said simply, our access to flexible and diverse funding sources means we are not reliant on the equity markets to fund our growth. Underpinning all this is the strength of our financial position. It starts first with our balance sheet with a strong BBB positive investment grade rating, which is one - as Connor said, which is one of the strongest in the sector.

What this means is through our capital structure, our debt is either investment grade or is instructed to investment grade characteristics. Furthermore, 90 percent of our project is - 90 percent of our debt is project level, non-recourse, long duration which translates well on a maturity basis with the average term to maturity across our portfolio of greater than 10 years. Furthermore, we have no material maturities over the next five years.

And, finally, our liquidity is as strong as ever with almost $3.5 billion available which provides significant financial flexibility to take advantages of potential peers of capital scarcity.

As I mentioned earlier, we have access to flexible and diverse sources of funding. So what this means is that if we look out over the next five years, we can fund the entirety of our target growth, the $6 billion of equity capital that Connor referenced, without needing to issue equity.

When we finance our business, our strategy is to prudently source our lowest cost of capital and so what this means is we maximize asset level up financings, preferred equity and corporate debt, but all while maintaining our strong investment grade balance sheet.

Furthermore, we will continue to execute on our program of capital recycling of selling mature, de-risked businesses to lower cost of capital providers and redeploying those proceeds into higher yielding opportunities.

For us, capital recycling isn't just a important part of our funding plan, it's also a critical way we can create value through a full cycle investment strategy where we look to acquire our business for value, we then take an active approach, we optimize the cash flows, we drive growth into the business and we earn our 12 percent to 15 percent returns.

But once we've de-risked the business, once we've optimized the cash flow, we may look to monetize that business to a lower cost of capital buyer and given, as Connor mentioned, the strength for de-risked, contracted operating renewable assets, it often means we exceed our return targets.

One of the ways we do this, and this is very similar to what you would have heard from Sam and David in our infrastructure business, is by building platforms. As an example, we recently completed the sale of our Irish wind business which we acquired in 2014.

During that period, we more than doubled the operating capacity to 700 megawatts, we established a 1 gigawatt development pipeline, but probably most importantly, we expanded the capabilities of the business, building a fully integrated platform with extensive corporate contracting, growth and operating capabilities.

And what that meant is when we sold the business, the buyer ascribed a value to that platform and as a result, we generated returns in excess of 15 percent over our eight-year hold period.

And our capital recycling program is also translating into additional FFO as we redeploy the proceeds back into higher yielding opportunities. So as an example, over the last three years with the $1.5 billion that we've raised from these activities, we've created $120 million of FFO and that comes from selling businesses at an average FFO yield of 7 percent and redeploying it into higher yielding opportunities with an average FFO yield of 15 percent.

As I mentioned, we are also increasingly well positioned to continue to deliver on our 10 percent plus FFO per unit growth targets. Maybe I'll look first at the quality of our cash flows, and I covered this last year, but maybe just to remind everyone. With our primarily dispatchable and perpetual asset base and the strength of our contracted profile, we believe we generate what are the highest quality cash flows in the sector.

Furthermore, as we have grown our business, we've also meaningfully de-risked our cash flows by diversifying. Our business is diversified across multiple markets and technologies such that no single market represents more than 10 percent of our business.

Furthermore, we remain highly focused on maintaining high quality customers. So if you look at our business, we have over 700 investment grade counterparties under long-term contract and our largest non-government third-party customer represents more than 3 percent of our generation.

And, finally, we have no material exposure to foreign exchange or interest rates where no single non-USD currency represents more than 10 percent of our business and across our business, we have -- we have less than 10 percent exposure to floating rates. And we're well positioned to continue on our track record of delivering 10 percent plus FFO per unit

growth. As we have highlighted previously, this will come from multiple levers, both organic and M&A.

But what has evolved for our business over the past number of years is that for each of our growth levers, we are seeing meaningful tailwinds. First, from an inflation perspective, we are entering into what may be a period of sustained inflation. Our business performs well in that environment.

Secondly, from a margin enhancement perspective, our increased commercial activities and increasing demand for baseload carbon-free generation is putting upward pressure on the value of our generation in a number of our key markets.

As Ruth and Connor outlined, our development activities are increasing and, finally, from an M&A perspective, as Connor outlined, the opportunity set for large scale, actionable growth opportunities is only increasing and what this means for our business is that we have secured the majority of our expected FFO growth over the next five years from organic levers alone and this comes from three basic building blocks.

The first is inflation where, given 70 percent of our contracts are indexed through inflation, our business benefits from an inflationary environment and is expected to generate 2 percent FFO per unit growth over the next five years.

Secondly, from a margin enhancement perspective, where, through identified cost savings, and these are going to primarily come from our most recent acquisitions where we're benefiting from economies of scale or other efficiencies, as we tuck those businesses into our existing platform, we've identified $50 million of additional FFO or 1 percent FFO per unit growth over the next five years.

Furthermore, from a margin enhancement perspective, we are well positioned to benefit from increased demand for baseload carbon-free generation, especially in the North American markets. And so the way to think about this is that over the next five years, we have 7 terawatt hours of generation that is coming off contract.

And if we were to recontract that generation at current all-in market prices, which includes the grid stabilizing features and renewable energy credits that our dispatchable hydro assets can sell, the net impact to our cash flows would be positive, generating over $100 million of FFO or 2 percent FFO per unit growth over the next five years.

And, finally, and I think this is probably the piece that is most underappreciated by the market, is how our increased development activities and, as importantly, the development dollars we have in the ground will translate to FFO.

So as both Connor and Ruth mentioned, our development activities are increasing, we have a 31,000 megawatt development pipeline, it's diversified across multiple technologies and geographies, but as Ruth honed in on, within that, we have 8,000 megawatts of near-term development.

These are assets for which we have contracts, we have the required permitting, in almost all cases we've procured the major equipment and they're either under construction or expect to be under construction in the near-term. The FFO from these facilities alone is expected to generate $120 million or 3 percent annual FFO per unit growth.

So maybe bring it all together, looking forward over the next five years, we have effectively secured 8 percent FFO per unit growth and with the additional tailwinds that we're benefiting in our business, we are highly confident that we can continue on our decade-long track record of delivering 10 percent plus FFO per unit growth.

So in summary, as I said at the outset, we believe that BEP is a must-own renewable stock. It comes from the strength of our balance sheet, it comes from our access to flexible and diverse sources of capital and our self-funding model, it comes from our high-quality, diversified cash flows and it comes from our differentiated growth capabilities which position us well to continue to deliver 10 percent plus FFO per unit growth going forward. So with that, I'll hand it back to Connor for concluding remarks and Q&A.

Connor Teskey: Great. Perhaps before we jump into Q&A, there's really three major takeaways we'd like to leave everyone with today. As Mark talked about, the decarbonization trends around the world are accelerating. Over the past 18 months, ambitions from governments, corporates, investors and lenders have turned from targets into policy and that is creating tremendous tailwinds for green energy companies such as ourselves.

Secondly, our unique position, as one of the few global renewable companies, is creating tremendous opportunities to capitalize on the increasing amount of capital that is flowing towards decarbonization and we are seeing those opportunities both across geographies as well as across different asset classes.

And, lastly, given those first two points, we see greater growth ambitions for our business and we see a path to increasing our equity deployment into growth without changing our approach of not needing equity funding, maintaining an investment grade balance sheet and also maintaining our dividend growth targets.

## QUESTIONS AND ANSWERS

Connor Teskey: So with that, we will turn our attention to some Q&A. A number of questions have come in online and perhaps we'll take some of those first before going to the audience here today. The first question that has come in is which geographies and technologies do you see the most opportunities to deploy capital into today?

Great. So maybe starting on the technology front because that's perhaps easier. There is no question that we see the greatest amount of growth in solar. That is due to both its

position on the cost curve as the cheapest form of electricity production in many markets around the world with attractive solar resource, but also, it's increasingly easier to build.

Solar is modular. You can transport solar panels in container trucks. It's not built at heights, it's built 6 to 8 feet off the ground. When you're building a solar facility, you can start construction crews on every side of it and they can meet in the middle. So we are seeing more and more opportunities to invest in both buying and building solar assets in a very de-risked way at premium returns.

In terms of geographies, however, I would say the opportunity is much more broad-based. From a platform perspective, we don't see anything in our pipeline today that would get us away from our historic geographic breakdown of three quarters or approximately 75 percent of our business and our equity deployment in developed countries, primarily in North America and Europe, and 25 percent in developing countries around the world. So I would say we are seeing the largest opportunities in North America and Europe and that historic ratio of 75/25 still holds today.

The next question, and this is probably in response to Ruth's presentation, you talked about the opportunity in repowering. Is this only for wind assets? Do you envision a similar project for other wind assets you own today and if so, which regions are these assets predominantly in?

Okay. A few - a few different points to unpack there. Yes, repowering is primarily, today, an onshore wind opportunity and there's two reasons for that. Most offshore wind around the world is not old enough to be repowered quite simply and then, secondly, for solar projects, because solar projects are so modular, they're almost repowered on an ongoing basis.

If the technology improves dramatically, it's really easy to just replace the panels. Where, for wind, to replace a turbine is a much more involved process and therefore, a much more discreet, large scale repowering event. So, yes, repowering is primarily, today, an onshore wind phenomenon.

And where are we seeing the greatest repowering opportunities? Unequivocally it is in North America, but we expect it to expand globally going forward and there's two dynamics that. What makes repowering opportunities such as Shepherds Flat so attractive is really two things. One, the economies of scale. That is a massive wind farm, 845 megawatts in one location. So you get significant economies of scale when executing the repowering.

And then, two, in the United States, there is strong government support, through production tax credits, for repowered assets and that is driving a lot of repowering pipeline for us today both within our existing fleet and for M&A opportunities around repowering in the United States.

The reason I say it's going to expand more globally is the installed wind asset base in Europe is actually much larger than the U.S. and older, which would suggest it is a more significant opportunity for repowering, but there's two things we need to be disciplined about.

One, a large number of European wind farms are smaller in size, so you don't get that economies of scale in repowering, and the E.U. does not yet treat repowering with preferential tax credits or other forms of support and therefore, we're simply seeing better economics in the U.S., while we continue to monitor both markets.

I'm just going to check are there any questions from anyone here in the audience? A couple here.

Unidentified Participant^ Thank you very much for the presentation. So you're increasing the amount of annual investments that you're targeting. The dividend per unit targets were left unchanged though. Can you just talk about how we should think about the payout ratio to evolve over the coming years?

Connor Teskey: Yes. Definitely. Great question. So we monitor our payout ratio and we have a long-term target that we are always catering our business plan towards, but we really view payout ratio as just one measure of financial health and today, with record levels of liquidity, our credit ratings recently reconfirmed that best-in-class investment grade metric.

What we will never do is prioritize the payout ratio in the near term at the expense of growth. So, our primary focus is on growth and ensuring that we are capturing those large and attractive growth opportunities, but as our five-year plan plays out, it is absolutely constructed in a way that will see us well within our target FFO payout ratio.

Unidentified Participant^ Got it. And just a quick - sorry. Just a quick follow-up. Hard to argue with kind of the big picture, long-term story here. Just have a lot of investors questioning kind of the near-term ability to meet your targets, though, not just your targets, I should say, for the - for the general industry just given supply chain challenges and whatnot. Can you just provide a quick update there? Thank you.

Connor Teskey^ Yes. Sure. It's a great question and when most people are referencing supply chain challenges, what they are primarily talking about is solar panel procurement, I would say, over the last 12 or 18 months and there, no doubt, has been disruptions to that entire supply chain. It was a number of different events, obviously COVID, and then some disruptions in the vertically integrated supply of polysilicon and then recent shipping struggles.

But what cannot get overlooked is bringing on new capacity in solar panel production takes about 18 months and if you go back 9 to 12 months, I huge number of incremental capacity additions were started that we have great visibility coming online, I would say,

over the next three to nine months and we view that as largely putting the market back into balance.

The industry is obviously growing and while that will address capacity, the industry will expand on a global basis, but I would say that is being very well registered by most of the major economies around the world and you're increasingly seeing more countries and more businesses look to produce their solar panels domestically.

Andrew Kuske: Andrew Kuske, Credit Suisse. Two-part question and I guess, Connor, if you can just give some clarity on the interplay between the global transition fund and BEP ...

Connor Teskey: Yes.

Andrew Kuske: ... and then I guess the second part of the question probably ties in more for Mark and it's around that Minsky moment on can you do social good now by investing in certain assets, but do you have a better value opportunity if you just wait?

Connor Teskey: Certainly. So I will perhaps take the first question and let Mark come up to answer the second part of the question. The way to think about our Brookfield Global Transition Fund is no different than Brookfield's other private funds. We always look to do the majority of our growth through our private funds where Brookfield Renewable is the single largest LP and what we felt is there is this tremendously large commercial opportunity that focuses around two things.

One, the increasing build-out of renewable power and low or zero carbon energy solutions and, two, a greater investment opportunity set that is being that solutions provider, energy transition and decarbonization solutions for governments and businesses.

That is what the Brookfield Global Transition Fund will invest in and Brookfield Renewable will invest in that fund, gaining exposure to those investments, similar to how we have through our other funds in the past.

So no different and given the alignment between Brookfield Renewable's mandate and ambitions and the Global Transition Fund's mandate and ambitions, we see perfect alignment there.

Mark Carney: That's a really interesting question on the Minsky side. Just pick up on something Connor just said, though, which is that, and it underscores, in the energy transition, the importance of "and," as you can all appreciate. There's no one solution, there's no one technology. It's building out renewables, it's being solution providers for businesses, it's carbon offset markets developing, it's a series of things that are necessary to get that 45 percent reduction.

The way I look at the Minsky potential, the Minsky moment potential, is sort of crystallized -- is more of a crystallization of stranded asset risk and so it's less about the growth opportunity than the risk -- the risk, full stop, to the financial system.

Now, I actually think that risk is going down because what is happening is -- I tried to draw it a bit earlier is we're getting most of the financial system, certainly the core in the banking system, you're Credit Suisse and you're part of this, putting out net zero plans, stress testing balance sheets, looking at these types of stranded risks, thinking a lot more about terminal value, pricing starting to adjust for that and this is, this is what we would have hoped for, which is a smoother transition into that.

And I'll just finish on this point which is that there's a very basic question that's being put to the board's senior risk managers, CFOs, CEOs of financial institutions is: what does your balance sheet look like in a 1.5 degree scenario? Where it's virtually all transition risk that's hitting the balance sheet, when do you think that's going to crystallize, and then let them make a judgment in terms of how much of that risk they want to - want to accept, so.

Connor Teskey: With that, I think we will invite Suzanne up to wrap things up.

Suzanne Fleming: All right. So that concludes our presentations. I hope it was useful. Thank you, everyone, for joining us. Thank you, everyone online, and thank you to everyone who joined us in person. Bye-bye.