

Letter to Unitholders

The tailwinds for renewables continue to accelerate as stakeholders around the world increasingly focus on the global imperative to decarbonize, driving increased demand for green energy and other clean solutions. It should come as no surprise that there is both a growing investment opportunity, as well as increasing capital allocations towards the sector. As one of the few businesses with the scale, track record and global capabilities to both partner with governments and businesses and also invest to help them achieve their decarbonization goals, we believe we have a great runway ahead of us.

Despite competition, we have continued to earn excellent returns in these market conditions. We have remained focused on opportunities where we can leverage our global reach, operating and development expertise and scale access to capital. And as industry tailwinds accelerate, the number of scale, value-add opportunities that favor investors with our capabilities also increases.

Highlights for the quarter include:

- Generated FFO of \$268 million, or \$0.42 per unit, a 23% increase on a normalized per unit basis over the same period in the prior year as our assets continue to perform well with high levels of asset availability, and we benefit from growth from new acquisitions and development assets coming online;
- We signed 28 agreements for approximately 800 GWh of renewable generation with corporate off-takers across all major industries. Our momentum with corporate contracting continues to grow and demonstrates our leadership in a rapidly growing industry trend;
- Progressed approximately 7,500 megawatts of development projects through construction and advanced stage permitting. We also added approximately 4,000 megawatts to our global development pipeline, which is now approximately 31,000 megawatts;
- Invested or agreed to invest approximately \$1.9 billion (approximately \$500 million net to Brookfield Renewable) of equity across a range of transactions year-to-date;
- Our balance sheet remains robust with almost \$3.3 billion of available liquidity and no meaningful near-term maturities; and
- Raised approximately \$1.3 billion (over \$650 million net to Brookfield Renewable) from asset recycling and strategic upfinancing activities this year.

Update on Growth Initiatives

As more capital continues to flow into renewable energy and decarbonization solutions, our approach to growth will continue to favor opportunities that allow us to utilize our strengths – investing for value and leveraging our operating capabilities to drive cashflow growth. We recently executed several agreements and transactions that highlight this approach.

In June, we commenced the repowering of the fully contracted 845-megawatt Shepherds Flat wind project, which we acquired earlier this year. Shepherds Flat, located in the United States, is one of the largest repowering projects in the world. We will replace the turbine hardware with longer rotors and more efficient equipment while maintaining the rest of the infrastructure. This is expected to increase production by approximately 25%, generating 400 gigawatt hours of additional clean energy annually, while meaningfully extending the asset's useful life. Furthermore, given that it costs only a fraction of a comparable greenfield project and the enhanced generation can support a more robust capital structure, the repowering requires no additional equity investment from us, generating attractive mid-to-high teens returns on this investment.

This repowering is an example of how we capitalize on our competitive advantages in the current market environment. By the time we complete the repowering by the end of 2022, it is expected that 320 turbines will have been retrofitted with almost 130 meter rotors and other technologically advanced equipment, as we continue to deliver power and receive revenues under the power purchase agreement. Doing so requires the combination of our operating capabilities as well as our position as one of the leading renewable power platforms in the world. We are leveraging our existing relationships with equipment suppliers, financing partners, and power offtakes to largely de-risk this project.

With an estimated 200 gigawatts of global wind capacity reaching 15 years of age within the next five years, the global market for repowerings is large – Shepherds Flat is by no means the only opportunity – and is only one segment where we continue to grow our business at attractive returns. Given our global reach and operating capabilities, we expect to capitalize on scale opportunities to repower other facilities, both across our existing portfolio as well as those we acquire, to deliver attractive returns for our investors.

This quarter, we signed a strategic collaboration agreement with Amazon to develop new renewable energy projects supported by power purchase agreements and to work together on additional green energy opportunities in the future. This agreement, with the world's largest corporate buyer of renewable power, will leverage our deep operating capabilities and local teams in North America, Europe, Brazil, and Asia to support the construction of projects from our 31,000 megawatt global development pipeline. We are excited to collaborate with Amazon and support them in achieving their climate goals and the transition of global electricity grids to greener energy.

We also agreed with Trane Technologies, a global climate innovator, to jointly pursue and offer decarbonization-as-a-service for commercial, industrial, and public sector customers, comprising energy efficient retrofits and upgrades of building energy infrastructure along with captive distributed solar, energy storage and other power generation across North America. The agreement leverages our leading U.S. distributed generation business and Trane's leading energy efficiency and technical, engineering, construction and project development experience to jointly develop and implement new customer opportunities. The innovative decarbonization solutions provided will help customers meet sustainability targets while reducing operating costs through upgrading critical energy infrastructure and installing onsite renewable energy.

At our Polish renewable business, we made significant progress on our development activities. We secured a 25-year contract to support the buildout of almost 1.5 gigawatts of offshore projects at a very attractive price,

escalating with inflation, with no basis or curtailment risk. As we have stated previously, we believe these are the most attractive contract structures available in the global offshore sector. We are now focused on executing construction activities, with the goal of delivering the facilities starting in 2025. In addition, we are on track to deliver our 200-megawatt under construction onshore wind portfolio by next year and are advancing opportunities to grow our onshore wind and solar footprint in the country. To fund these growth activities, shareholders have agreed to the capital increase required over the next two years, providing the framework for us to invest an additional €150 million (approximately \$50 million net to Brookfield Renewable) and increase our stake in the business to almost 40%.

In Brazil, our construction activities continue to progress on budget and schedule across our almost 2-gigawatt portfolio of under construction solar projects. Recently, we completed construction activities at our approximately 300-megawatt project ahead of schedule and under budget. Our global procurement platform and construction capabilities have positioned us well and we are on track to deliver an additional approximately 900 megawatts of fully contracted projects in 2022.

Alongside Apple's China Renewable Energy Fund, which was raised by Apple and its suppliers to advance their collective transition to net zero in the country, we agreed to acquire a 55% stake in a 213-megawatt high quality, contracted portfolio of wind assets in China for ~\$60 million (\$15 million net to Brookfield Renewable). This transaction continues to expand and diversify our platform in China, providing a path to continue to prudently grow our capacity in the country. The acquisition is expected to close in the third quarter.

In India, we agreed to invest \$130 million (\$35 million net to Brookfield Renewable), totaling 900 megawatts of capacity across two transactions. The first is with a local solar developer from whom we acquired assets in 2019. We will acquire a 450-megawatt fully contracted ready-to-build solar project. The opportunity is a part of a 1.7-gigawatt pipeline that we are developing in a joint venture with them, where they undertake development activities, and we have the option to acquire the projects once they are fully permitted and ready to begin construction. The second is with a large Indian solar developer that was one of the underlying borrowers in a portfolio of loans we acquired in late 2020. The investment gives us the right to acquire a 450-megawatt fully contracted solar project one year following commissioning once the project has been substantially de-risked.

Brookfield Renewable Corporation (BEPC)

It has been 12 months since we spun out our corporate entity, Brookfield Renewable Corporation (BEPC). In that time, it has achieved many of the goals we set at launch including welcoming almost 250 new institutional investors and the addition to many indices including the Russell 1000, the MSCI Canada and the S&P Global Clean Energy Index. We were able to offer BEPC shares as consideration in the privatization of TerraForm Power and expanded the public float since launch by approximately 300%. We are pleased with the positive market reception. Looking forward, we expect that BEPC will continue to offer investors an additional way to access our globally leading portfolio of renewable and decarbonization assets, broadening our investor base and enhancing the liquidity of our securities.

Results from Operations

During the second quarter, we generated FFO of \$268 million, or \$0.42 per unit, as our business benefited from recent acquisitions, strong asset availability, and margin enhancing initiatives. On a normalized basis, our per unit results were up 23% year-over-year.

During the quarter, our hydroelectric segment delivered FFO of \$154 million. Despite generation for the quarter coming in below the long-term average, the portfolio continues to exhibit strong cash flow resiliency given the increasingly diversified asset base and contract profile. As we have reiterated previously, resource cyclicality is expected but does not impact how we manage the business. Our focus remains on mitigating exposure to any single resource, market, or counterparty by continuously diversifying and contracting the business while prudently managing the assets. Securing contracts that value the uniqueness of our fleet as a generator of dispatchable clean electricity and ancillary services further bolsters our portfolio against inevitable variability.

Brazil has been impacted by a drier than normal rainy season, particularly in the Southeastern region of the country, and reservoirs are well below long-term average. As a result, spot prices have increased significantly, as the grid operator has been forced to dispatch higher priced thermal generation, and there is modest risk of energy rationing. Our portfolio is well positioned in this environment. We have little to no risk of being short of our power delivery obligations for the rest of this year and 2022, and we could potentially realize very strong pricing on contracts we sign for next year.

Our wind and solar segments generated a combined \$178 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. Further, to take advantage of the strong pricing environment in Brazil, we executed on a regulatory mechanism to uncontract our generation for 2022 from our approximately 300-megawatt solar project. Concurrently, we executed on new contracts for this generation in the free market at double the power purchase agreement price, generating an additional R\$135 million (US\$27 million) of revenue from the project.

Our energy transition segment generated \$44 million of FFO during the quarter as our portfolio continues to grow while we assist commercial and industrial partners achieve their decarbonization goals and provide critical grid-stabilizing ancillary services and back-up capacity required to address the increasing intermittency of greener electricity grids.

Balance Sheet and Liquidity

Our financial position continues to be strong. We have approximately \$3.3 billion of available liquidity, our investment grade balance sheet has no meaningful near-term maturities, and approximately 90% of our financings are non-recourse to Brookfield Renewable. Recently, Fitch initiated coverage of our business, assigning a BBB+ rating, which is consistent with our existing rating from S&P.

During the quarter, we continued to take advantage of the low interest rate environment and executed on approximately \$1.5 billion of investment grade financings and upfinancings across the business. We also continued to execute on several initiatives to further bolster our liquidity and support growth. Recently, we raised over \$850 million (approximately \$410 million net to Brookfield Renewable) of equity proceeds from capital recycling initiatives. Looking forward, we expect to continue to generate meaningful proceeds from strategic upfinancing and capital recycling initiatives, so we are not reliant on capital markets to fund the growth of our business.

Outlook

Looking ahead, we continue to focus on growing our business and executing on our key operational priorities, including maintaining a robust balance sheet, maintaining access to diverse sources of capital, and surfacing value through enhanced cash flows from our existing portfolio.

We remain committed to helping our customers achieve their decarbonization goals and in the process, earn our investors a strong total return of 12-15% over the long term.

On behalf of the Board and management of Brookfield Renewable, we thank all our unitholders and shareholders for their ongoing support.

Sincerely,

A handwritten signature in blue ink, appearing to read 'CT', with a stylized flourish at the end.

Connor Teskey

Chief Executive Officer

August 5, 2021

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 and distribution growth. They include statements regarding Brookfield Renewable’s anticipated financial performance, future commissioning of assets, contracted nature of our portfolio, technology diversification, acquisition opportunities, expected completion of acquisitions and dispositions, financing and refinancing opportunities, BEPC’s ability to attract new investors as well as the future performance and prospects of BEPC and BEP, the prospects and benefits of the combination of Brookfield Renewable and TerraForm Power, including certain information regarding the combined company’s expected cash flow profile and liquidity, future energy prices and demand for electricity, 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 and Normalized FFO per Unit, which are not generally accepted accounting measures under IFRS and therefore may differ from definitions of FFO, FFO per Unit and Normalized FFO per Unit used by other entities. We believe that FFO, FFO per Unit and Normalized 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, FFO per Unit and Normalized 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 the non-IFRS financial measures to the most comparable IFRS financial measures, see “Part 4 – Financial Performance Review on Proportionate Information – Reconciliation of non-IFRS measures” in our interim report for the period ended June 30, 2021. Normalized FFO assumes long-term average generation in all segments except the Brazil and Colombia hydroelectric segments and uses 2020 foreign currency rates.

References to Brookfield Renewable are to Brookfield Renewable Partners L.P. together with its subsidiary and operating entities unless the context reflects otherwise.