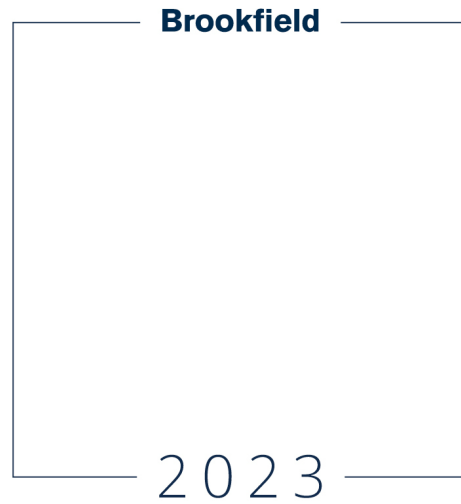


NOTICE

The management's discussion and analysis attached hereto replaces the version filed on March 1, 2024. It has been revised to include the introductory page.



Brookfield Renewable Partners L.P.

MANAGEMENT'S DISCUSSION
AND ANALYSIS

Management's Discussion and Analysis

For the year ended December 31, 2023

This Management's Discussion and Analysis for the year ended December 31, 2023 is provided as of February 29, 2024. Unless the context indicates or requires otherwise, the terms "Brookfield Renewable", "we", "us", and "our company" mean Brookfield Renewable Partners L.P. and its controlled entities. The ultimate parent of Brookfield Renewable is Brookfield Corporation ("Brookfield Corporation"). Brookfield Corporation and its subsidiaries, other than Brookfield Renewable, and unless the context otherwise requires, includes Brookfield Asset Management Ltd ("Brookfield Asset Management"), are also individually and collectively referred to as "Brookfield" in this Management's Discussion and Analysis. The term "Brookfield Holders" means Brookfield, Brookfield Reinsurance and their related parties.

Brookfield Renewable's consolidated equity interests include the non-voting publicly traded limited partnership units ("LP units") held by public unitholders and Brookfield, class A exchangeable units ("Redeemable/Exchangeable partnership units") in Brookfield Renewable Energy L.P. ("BRELP"), a holding subsidiary of Brookfield Renewable, held by Brookfield, and general partnership interest ("GP interest") in BRELP held by Brookfield. Holders of the LP units, Redeemable/Exchangeable partnership units, GP interest, and exchangeable shares will be collectively referred to throughout as "Unitholders" unless the context indicates or requires otherwise. LP units, Redeemable/Exchangeable partnership units, GP interest, and BEPC exchangeable shares will be collectively referred to throughout as "Units", or as "per Unit", unless the context indicates or requires otherwise. The LP units, exchangeable shares and Redeemable/Exchangeable partnership units have the same economic attributes in all respects. See – "Part 9 – Presentation to Stakeholders and Performance Measurement".

Brookfield Renewable's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), which require estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the amounts of revenue and expense during the reporting periods.

Certain comparative figures have been reclassified to conform to the current year's presentation.

References to \$, C\$, €, R\$, £, and COP are to United States ("U.S.") dollars, Canadian dollars, Euros, Brazilian reais, British pounds sterling and Colombian pesos, respectively. Unless otherwise indicated, all dollar amounts are expressed in U.S. dollars.

For a description on our operational and segmented information and for the non-IFRS financial measures we use to explain our financial results see "Part 9 – Presentation to Stakeholders and Performance Measurement". 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". This Management's Discussion and Analysis contains forward-looking information within the meaning of U.S. and Canadian securities laws. Refer to – "Part 10 – Cautionary Statements" for cautionary statements regarding forward-looking statements and the use of non-IFRS measures. Our Annual Report and additional information filed with the Securities Exchange Commission ("SEC") and with securities regulators in Canada are available on our website (<https://bep.brookfield.com>), on the SEC's website (www.sec.gov), or on SEDAR+ (www.sedarplus.ca).

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PART 1 – 2023 HIGHLIGHTS

YEAR ENDED DECEMBER 31
(MILLIONS, EXCEPT AS NOTED)

	2023	2022
<u>Selected financial information</u>		
Revenues	\$ 5,038	\$ 4,711
Net loss attributable to Unitholders ⁽¹⁾	(100)	(295)
Basic and diluted net loss per LP unit ⁽²⁾	(0.32)	(0.60)
Proportionate Adjusted EBITDA ⁽³⁾	2,182	2,002
Funds From Operations ⁽³⁾	1,095	1,005
Funds From Operations per Unit ⁽³⁾⁽⁴⁾	1.67	1.56
Distribution per LP unit	1.35	1.28
<u>Operational information</u>		
Capacity (MW)	32,949	25,377
Total generation (GWh)		
Long-term average generation	75,584	63,656
Actual generation	69,704	63,036
Proportionate generation (GWh)		
Actual generation	29,467	28,669

(1) Includes \$91 million loss attributed to Limited Partner equity, \$57 million loss attributed to BEPC exchangeable shares, \$63 million loss attributed to Participating non-controlling interests – in a holding subsidiary – Redeemable/Exchangeable units held by Brookfield, and \$111 million income General partnership interest in a holding subsidiary held by Brookfield.

(2) Average LP units for the year ended December 31, 2023 were 282.4 million (2022: 275.2 million).

(3) Non-IFRS measure. For reconciliations to the most directly comparable IFRS measure, see “Cautionary Statement Regarding Use of Non-IFRS Measures” and “PART 4 – Financial Performance Review on Proportionate Information – Reconciliation of Non-IFRS Measures”.

(4) Average Units outstanding for the year ended December 31, 2023 were 657.1 million (2022: 645.9 million), being inclusive of our LP units, Redeemable/Exchangeable partnership units, BEPC exchangeable shares and GP interest.

AS AT DECEMBER 31
(MILLIONS, EXCEPT AS NOTED)

	December 31, 2023	December 31, 2022
<u>Liquidity and Capital Resources</u>		
Available liquidity	\$ 4,121	\$ 3,695
Debt to capitalization – Corporate	12 %	11 %
Debt to capitalization – Consolidated	40 %	39 %
Non-recourse borrowings – Consolidated	91 %	91 %
Fixed rate debt exposure on a proportionate basis ⁽¹⁾	96 %	97 %
Corporate borrowings		
Average debt term to maturity	10 years	11 years
Average interest rate	4.3 %	4.1 %
Non-recourse borrowings on a proportionate basis		
Average debt term to maturity	12 years	12 years
Average interest rate	5.4 %	4.9 %

(1) Total floating rate exposure is 12% (2022: 10%) of which 8% (2022: 7%) is related to floating rate debt exposure of certain foreign regions outside of North America and Europe due to the high cost of hedging associated with those regions.

Operations

Funds From Operations of \$1,095 million or \$1.67 on a per Unit basis is higher than the prior year driven by:

- Contributions from growth, both from acquisitions and 4,511 MW of new development projects reaching commercial operation;
- Strong asset availability across our fleet; and
- Higher realized prices across most markets after adjusting for recent acquisitions on the back of inflation escalation and commercial initiatives

After deducting non-cash depreciation, deferred income tax, foreign exchange and financial instruments gain and other, net loss attributable to Unitholders was \$100 million or \$0.32 per LP unit, compared to net loss attributable to Unitholders of \$295 million or \$0.60 per LP unit in the prior year.

Refer to Part 2 - Financial Performance Review on Consolidated Information in this Management's Discussion and Analysis for details on consolidated statements of income (loss).

We continue to be the partner of choice to procure clean power:

- We advanced commercial priorities including securing contracts for new developments for almost 50 terawatt hours of generation, of which over 90% is with corporate customers

Liquidity and Capital Resources

Our best-in-class balance sheet with investment grade BBB+ credit rating and access to diverse sources of capital continue to differentiate our business and enable us to opportunistically invest when capital becomes scarce

- Liquidity position remains robust, with \$4.1 billion of total available liquidity, providing significant flexibility to fund growth, and no meaningful near-term maturities
- Closed approximately \$15 billion in non-recourse financings generating almost \$500 million in upfinancings to Brookfield Renewable
- During the year, issued C\$400 million of 10-year medium-term notes and issued an additional C\$400 million 30-year medium-term notes in January 2024, extending our average corporate term-to-maturity from 10 to 12 years
- On the back of significant outperformance of our growth targets, we completed a \$650 million equity financing through a bought deal of both 8.2 million LP units and 7.43 million BEPC exchangeable shares, and a concurrent private placement of 5.15 million LP units
- Continued to execute our asset recycling initiatives generating \$800 million (\$500 million net to Brookfield Renewable) over the past 12-months generating nearly three times our invested capital and providing funds for growth

Growth and Development

During the year, together with our institutional partners, we have deployed, or agreed to deploy a record of approximately \$9 billion of capital (approximately \$2 billion net to Brookfield Renewable) into investments across all our key markets, including:

- Completed the acquisition of Westinghouse for \$4.37 billion (\$442 million net to Brookfield Renewable), a leading global provider of highly technical and critical clean energy services to the nuclear industry in a strategic partnership with Cameco
- Completed the acquisition of a U.S. renewable portfolio, Deriva Energy for \$1.08 billion (expected \$308 million net to Brookfield Renewable), one of the largest renewable platforms in the U.S. with 5.9 GW of operating and under construction wind, utility scale solar and storage assets, and a 6.1 GW development pipeline. We expect to hold a 28% interest in the investment (\$303 million net to Brookfield Renewable).
- Completed the acquisition of the remaining 50% interest in X-Elio which we did not own for total consideration of \$893 million (\$76 million net to Brookfield Renewable)

- Completed the acquisition of U.K. Wind Portfolio, Banks Renewables for \$625 million (\$296 million net to Brookfield Renewable), a leading independent UK renewables developer with approximately 260 MW operating onshore wind assets, 800 MW of near-term development and another 3 GW of later stage projects. We expect to hold a 20% interest in the investment (\$125 million net to Brookfield Renewable).
- Invested in a leading renewable platform in India with operating and development assets, to provide a structured U.S. dollar financing solution in the form of convertible securities with an initial investment of \$400 million (\$80 million net to Brookfield Renewable) and the option to invest up to \$600 million (\$120 million net to Brookfield Renewable) in additional convertible securities to finance the company's renewable development pipeline, as well as investing in a solar panel manufacturing facility and a green ammonia production facility; and
- Agreed to invest up to \$360 million (\$72 million net to Brookfield Renewable) to acquire a 55% stake in a leading commercial and industrial renewable platform based in India with 4,500 megawatts of operating and development pipeline

We continued to accelerate our development activities

- We accelerated our development activities, commissioning almost 5,000 MW of new projects globally across wind, solar and battery storage as well as 15 TMTPA of carbon capture and storage, and 402,265 MMBtu of agricultural renewable natural gas through our sustainable solutions portfolio further diversifying and growing our cash flows. We expect commissioned capacity to contribute ~\$65 million of incremental FFO annually on a run-rate basis. Our near-term development pipeline expanded to approximately 23,800 MW, which, along with our sustainable solutions pipeline, is expected to contribute approximately \$300 million of FFO annually on a run-rate basis to Brookfield Renewable once commissioned

PART 2 – FINANCIAL PERFORMANCE REVIEW ON CONSOLIDATED INFORMATION

The following table reflects key financial data for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2023	2022	2021
Revenues	\$ 5,038	\$ 4,711	\$ 4,096
Direct operating costs	(1,933)	(1,434)	(1,365)
Management service costs	(205)	(243)	(288)
Interest expense	(1,627)	(1,224)	(981)
Depreciation	(1,852)	(1,583)	(1,501)
Income tax recovery (expense)	48	2	(14)
Net income (loss)	616	138	(66)
	Average FX rates to USD		
C\$	1.35	1.30	1.25
€	0.92	0.95	0.85
R\$	4.99	5.16	5.40
COP	4,328	4,253	3,742

Current Year Variance Analysis (2023 vs 2022)

Revenues totaling \$5,038 million represents an increase of \$327 million compared to prior year due to the growth of our business and higher realized prices. Recently acquired and commissioned facilities contributed 6,706 GWh of generation and \$311 million of revenues, which was partially offset by recently completed asset sales that reduced generation by 1,134 GWh and revenues by \$89 million. On a same store, constant currency basis, revenues increased by \$124 million as the benefits from higher realized prices across most markets on the back of inflation escalation and commercial initiatives were partially offset by lower hydrology at our Canadian and Colombian hydroelectric assets and lower average revenue per MWh at our European wind and solar assets as a result of adjustments to the regulated price earned in Spain that decreased revenue in the short term but has no impact on the value of the asset given the regulatory construct.

During the year there was an unfavorable foreign exchange impact of \$19 million on revenue as well as a \$17 million unfavorable foreign exchange impact on our operating and interest expenses.

Direct operating costs totaling \$1,933 million represents an increase of \$499 million compared to prior year due to additional costs from our recently acquired and commissioned facilities and higher power purchases in Colombia, which are passed through to our customers, partly offset by our recently completed asset sales and the above noted strengthening of the U.S. dollar.

Management service costs totaling \$205 million represents a decrease of \$38 million compared to prior year.

Interest expense totaling \$1,627 million represents an increase of \$403 million compared to prior year due to growth in our portfolio and upfinancings completed in the prior year at our North American and South American hydroelectric assets to fund the growth of our business.

Depreciation expense totaling \$1,852 million represents an increase of \$269 million compared to prior year due to the growth of our business.

Net income totaling \$616 million represents an increase of \$478 million compared to prior year due to the above noted items, other income relating to non-recurring income and a gain on sale of non-core wind assets.

Prior Year Variance Analysis (2022 vs 2021)

Revenues totaling \$4,711 million represents an increase of \$615 million over same period in the prior year due to the growth of our business and higher power prices. Recently acquired and commissioned facilities contributed 3,544 GWh of generation and \$288 million of revenues, which was partially offset by recently completed asset sales that reduced generation by 996 GWh and revenues by \$99 million. On a same store, local currency basis, revenues increased by \$569 million primarily due to higher average realized revenue per MWh due to inflation indexation, recontracting initiatives, and higher global merchant power, as well as stronger hydrology across our fleet.

The strengthening of the U.S. dollar relative to the same period in the prior year across most of the currencies decreased revenues by approximately \$143 million, which was partially offset by a \$90 million favorable foreign exchange impact on our operating and interest expenses.

Direct operating costs totaling \$1,434 million represents an increase of \$69 million over the same period in the prior year due to additional costs from our recently acquired and commissioned facilities being partly offset by cost saving initiatives across our business, recently completed asset sales and the impact of foreign exchange movement noted above.

Management service costs totaling \$243 million represents a decrease of \$45 million over the same period in the prior year.

Interest expense totaling \$1,224 million represents an increase of \$243 million over the same period in the prior year due to the growth in our portfolio and accelerated financing initiatives in Colombia, as well as a C\$1.0 billion strategic upfinancing of our Canadian hydroelectric facility to fund the growth of our business.

Depreciation expense totaling \$1,583 million represents an increase of \$82 million over the same period in the prior year due to the growth of our business.

Net income totaling \$138 million represents an increase of \$204 million over the same period in the prior year.

PART 3 – ADDITIONAL CONSOLIDATED FINANCIAL INFORMATION

SUMMARY CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The following table provides a summary of the key line items on the audited annual consolidated statements of financial position as at December 31:

(MILLIONS)	2023	2022
Assets held for sale	\$ —	\$ 938
Current assets	4,610	4,183
Equity-accounted investments	2,546	1,392
Property, plant and equipment, at fair value	64,005	54,283
Total assets	76,128	64,111
Liabilities directly associated with assets held for sale	—	351
Corporate borrowings	2,833	2,548
Non-recourse borrowings	26,869	22,302
Deferred income tax liabilities	7,174	6,507
Total liabilities and equity	76,128	64,111
	FX rates to USD	
C\$	1.33	1.35
€	0.91	0.93
R\$	4.84	5.22
COP	3,822	4,810

Property, plant and equipment

Property, plant and equipment totaled \$64.0 billion as at December 31, 2023 compared to \$54.3 billion as at December 31, 2022 representing an increase of \$9.7 billion. Our acquisitions during the year, included a 136 MW portfolio of operating wind assets in Brazil, a fully integrated developer and operator of renewable power assets in the United States with 5,900 MW of operating and under construction assets, with a 6,100 MW development pipeline, a 60 MW portfolio of operating wind assets in Brazil, and a leading commercial and industrial renewable platform based in India with 4,500 MW of operating and development assets, as well as our continued investments in the development of power generating assets which combined increased property, plant and equipment by \$9.1 billion. The weakening of the U.S. dollar versus the Colombian Peso and Brazilian Reais increased property, plant and equipment by \$2.7 billion. The increase was partly offset by, the sale of our 26 MW solar asset in Uruguay and depreciation expense associated with property, plant and equipment of \$1.8 billion.

Assets held for sale and Liabilities directly associated with assets held for sale

Assets held for sale and Liabilities directly associated with assets held for sale totaled nil and nil, respectively, as at December 31, 2023 compared to \$938 million and \$351 million, respectively, as at December 31, 2022.

In the first quarter of 2023, Brookfield Renewable's institutional partners completed the sale of a 78% interest in a 378 MW operating hydroelectric portfolio in the U.S., of which 28% was sold to affiliates of Brookfield Corporation. Brookfield Renewable retained its 22% interest in the investment and accordingly, did not receive any proceeds from the sale. Subsequent to the completion of the sale, Brookfield Renewable no longer consolidates this investment and recognized its interest as an equity-accounted investment.

In the second quarter of 2023, Brookfield Renewable, together with its institutional partners, completed the sale of wind assets in the U.S. that were acquired in 2022.

In the third quarter of 2023, Brookfield Renewable, together with its institutional partners, completed the sale of its 100% interest in a 95 MW portfolio of wind assets and 100% interest in a 26 MW solar asset in Uruguay.

RELATED PARTY TRANSACTIONS

Brookfield Renewable's related party transactions are in the normal course of business and are recorded at the exchange amount. Brookfield Renewable's related party transactions are primarily with Brookfield Corporation.

Brookfield Renewable sells electricity to Brookfield through a single long-term PPA across Brookfield Renewable's New York hydroelectric facilities.

In 2011, on formation of Brookfield Renewable, Brookfield transferred certain development projects to Brookfield Renewable for no upfront consideration but is entitled to receive variable consideration on commercial operation or sale of these projects.

Brookfield Renewable has entered into voting agreements with Brookfield, whereby Brookfield Renewable gained control of the entities that own certain renewable power generating facilities. Brookfield Renewable has also entered into a voting agreement with its consortium partners in respect of the Colombian business. The voting agreements provide Brookfield Renewable the authority to direct the election of the Boards of Directors of the relevant entities, among other things, and therefore provide Brookfield Renewable with control. Accordingly, Brookfield Renewable consolidates the accounts of these entities.

Brookfield Renewable participates with institutional partners in Brookfield Americas Infrastructure Fund, Brookfield Infrastructure Fund II, Brookfield Infrastructure Fund III, Brookfield Infrastructure Fund IV, Brookfield Infrastructure Fund V, Brookfield Infrastructure Income Fund, Brookfield Global Transition Fund I, Brookfield Global Transition Fund II, and Brookfield Infrastructure Debt Fund ("Private Funds"), each of which is a Brookfield sponsored fund, and in connection therewith, Brookfield Renewable, together with our institutional partners, has access to financing using the Private Funds' credit facilities.

From time to time, in order to facilitate investment activities in a timely and efficient manner, Brookfield Renewable will fund deposits or incur other costs and expenses (including by use of loan facilities to consummate, support, guarantee or issue letters of credit) in respect of an investment that ultimately will be shared with or made entirely by Brookfield sponsored vehicles, consortiums and/or partnerships (including private funds, joint ventures and similar arrangements), Brookfield Renewable, or by co-investors.

On June 16, 2023, Brookfield Renewable completed the issuance of 8,200,000 LP Units and 7,430,000 class A exchangeable subordinated voting shares of BEPC ("Exchangeable shares") on a bought deal basis at a price of \$30.35 per LP Unit and \$33.80 per Exchangeable Share for gross proceeds of \$500 million. Concurrently, a subsidiary of Brookfield Reinsurance purchased 5,148,270 LP units at the LP unit offering price (net of underwriting commission). The aggregate gross proceeds of the offering and the concurrent private placement was approximately \$650 million. Brookfield Renewable incurred \$20 million in related transaction costs inclusive of fees paid to underwriters.

Brookfield Corporation has provided a \$400 million committed unsecured revolving credit facility maturing in December 2024 and the draws bear interest at the Secured Overnight Financing Rate plus a margin. During the current period, there were no draws on the committed unsecured revolving credit facility provided by Brookfield Corporation. Brookfield Corporation may from time to time place funds on deposit with Brookfield Renewable which are repayable on demand including any interest accrued. There were nil funds placed on deposit with Brookfield Renewable as at December 31, 2023 (2022: nil). The interest expense on the deposit and draws from the credit facility for the year ended December 31, 2023 totaled nil (2022: nil and 2021: \$2 million)

On November 7, 2023, Brookfield Renewable, together with institutional partners, through a strategic partnership with Cameco Corporation, acquired 100% of Westinghouse, one of the world's largest nuclear services businesses, from our affiliate Brookfield Business Partners L.P. and its institutional partners, for \$4.37 billion (approximately \$437 million invested by Brookfield Renewable).

In addition, our company has executed, amended, or terminated other agreements with Brookfield that are described in Note 28 – Related party transactions in our audited annual consolidated financial statements. For a

description of certain of our agreements with Brookfield, please see Item 7.B “Related Party Transactions” in our Form 20-F for the annual period ended December 31, 2023.

The following table reflects the related party agreements and transactions in the audited annual consolidated statements of income (loss), for the year ended December 31:

(MILLIONS)	<u>2023</u>	<u>2022</u>	<u>2021</u>
Revenues			
Power purchase and revenue agreements	\$ 14	\$ 21	\$ 103
Direct operating costs			
Energy marketing fee and other services	(5)	(1)	(8)
Insurance services ⁽¹⁾	—	—	(26)
	<u>\$ (5)</u>	<u>\$ (1)</u>	<u>\$ (34)</u>
Interest expense			
Borrowings	\$ (35)	\$ —	\$ (2)
Contract balance accretion	(26)	(20)	(21)
	<u>\$ (61)</u>	<u>\$ (20)</u>	<u>\$ (23)</u>
Other			
Distribution income	\$ 8	\$ —	\$ —
Other related party services	\$ 3	\$ (5)	\$ (4)
Financial instrument gain/loss	\$ 21	\$ 5	\$ —
Management service costs	<u>\$ (205)</u>	<u>\$ (243)</u>	<u>\$ (288)</u>

⁽¹⁾ Prior to November 2021, insurance services were paid to external insurance service providers through subsidiaries of Brookfield Corporation. The fees paid to the subsidiaries of Brookfield Corporation in 2023 were nil (2022 was nil and 2021: was nil). As of November 2021, Brookfield, through a regulated subsidiary, began providing insurance coverage through third-party commercial insurers for the benefits of certain entities in North America. The premiums and claims paid are not included in the table above.

The following table reflects the impact of the related party agreements and transactions on the consolidated		December 31:	
balance	sheets	as	at
(MILLIONS)		Related party	
		2023	2022
Current assets			
Trade receivables and other current assets			
Contract asset	Brookfield	\$ 61	\$ 54
Due from related parties			
Amounts due from	Brookfield ⁽¹⁾	1,386	105
	Equity-accounted investments and other ...	57	18
		<u>1,443</u>	<u>123</u>
Non-current assets			
Financial instrument assets			
	Brookfield	170	395
Other long-term assets			
Contract asset	Brookfield	314	341
Amounts due from	Equity-accounted investments and other ...	135	128
Current liabilities			
Contract Liability			
	Brookfield	35	24
Financial Instrument Liabilities			
	Brookfield Reinsurance	2	3
Due to related parties			
Amount due to	Brookfield ⁽¹⁾	541	205
	Equity-accounted investments and other ...	13	24
	Brookfield Reinsurance	242	321
Accrued distributions payable on LP units, BEPC exchangeable shares and Redeemable/Exchangeable partnership units and GP interest	Brookfield	39	38
		<u>835</u>	<u>588</u>
Non-Current liabilities			
Financial Instrument Liabilities			
	Brookfield Reinsurance	2	3
Due to related parties			
Amount due to	Brookfield	496	—
	Equity-accounted investments and other ...	209	1
		<u>705</u>	<u>1</u>
Corporate borrowings			
	Brookfield Reinsurance	8	7
Non-recourse borrowings			
	Brookfield Reinsurance and associates	101	93
Other long-term liabilities			
Contract liability			
	Brookfield	680	662
Equity			
Preferred limited partners equity			
	Brookfield Reinsurance and associates	\$ 11	11

- (1) Includes receivables of \$1,328 million (2022: \$45 million) associated with the Brookfield Global Transition Fund credit facility
- (2) Includes payables of \$6 million (2022: \$39 million), \$81 million (2022: \$64 million), and \$307 million (2022: nil) associated with the Brookfield Infrastructure Fund IV, Brookfield Global Transition Fund, and Brookfield Global Transition Fund II credit facilities, respectively

EQUITY

General partnership interest in a holding subsidiary held by Brookfield

Brookfield, as the owner of the 1% GP interest in BRELP, is entitled to regular distributions plus an incentive distribution based on the amount by which quarterly LP unit distributions exceed specified target levels. As at December 31, 2023, to the extent that LP unit distributions exceed \$0.20 per LP unit per quarter, the incentive distribution is 15% of distributions above this threshold. To the extent that quarterly LP unit distributions exceed \$0.2253 per LP unit per quarter, the incentive distribution is equal to 25% of distributions above this threshold. Incentive distributions of \$111 million were declared during the year ended December 31, 2023 (2022: \$94 million).

Preferred equity

The Class A Preference Shares of Brookfield Renewable Power Preferred Equity Inc. (“BRP Equity”) do not have a fixed maturity date and are not redeemable at the option of the holders. As at December 31, 2023, none of the issued Class A, Series 5 and 6 Preference Shares have been redeemed by BRP Equity.

In December 2023, the Toronto Stock Exchange accepted notice of BRP Equity's intention to renew the normal course issuer bid in connection with its outstanding Class A Preference Shares for another year to December 17, 2024, or earlier should the repurchases be completed prior to such date. Under this normal course issuer bid, BRP Equity is permitted to repurchase up to 10% of the total public float for each respective series of the Class A Preference Shares. Shareholders may receive a copy of the notice, free of charge, by contacting Brookfield Renewable. There were no repurchases of Class A Preference Shares during 2023 or 2022 in connection with the normal course issuer bid.

Perpetual subordinated notes

The perpetual subordinated notes are classified as a separate class of non-controlling interest on Brookfield Renewable's consolidated statements of financial position. Brookfield Renewable incurred interest of \$29 million on the perpetual subordinated notes during the year ended December 31, 2023 (2022: \$29 million). Interest incurred on the perpetual subordinated notes are presented as distributions in the consolidated statements of changes in equity.

Preferred limited partners' equity

The Class A Preferred Limited Partnership Units (“Preferred units”) of Brookfield Renewable do not have a fixed maturity date and are not redeemable at the option of the holders.

In the second quarter of 2023, Brookfield Renewable declared the fixed quarterly distributions on the Class A Preferred Limited Partnership Series 13 Units during the five years commencing May 1, 2023 will be paid at an annual rate of 6.05%.

In December 2023, the Toronto Stock Exchange accepted notice of Brookfield Renewable's intention to renew the normal course issuer bid in connection with the outstanding Class A Preferred Limited Partnership Units for another year to December 17, 2024, or earlier should the repurchases be completed prior to such date. Under this normal course issuer bid, Brookfield Renewable is permitted to repurchase up to 10% of the total public float for each respective series of its Class A Preferred Limited Partnership Units. Unitholders may receive a copy of the notice, free of charge, by contacting Brookfield Renewable. No shares were repurchased during 2023 or 2022.

Limited partners' equity, Redeemable/Exchangeable partnership units, and BEPC exchangeable shares

On June 16, 2023, Brookfield Renewable completed the issuance of 8,200,000 LP Units and 7,430,000 class A exchangeable subordinated voting shares of BEPC (“Exchangeable shares”) on a bought deal basis at a price of \$30.35 per LP Unit and \$33.80 per Exchangeable Share for gross proceeds of \$500 million. Concurrently, a subsidiary of Brookfield Reinsurance purchased 5,148,270 LP units at the LP unit offering price (net of underwriting commission). The aggregate gross proceeds of the offering and the concurrent private placement was approximately \$650 million. Brookfield Renewable incurred \$20 million in related transaction costs inclusive of fees paid to underwriters.

As at December 31, 2023, Brookfield Holders held a direct and indirect interest of approximately 47% of Brookfield Renewable on a fully-exchangeable basis. Brookfield Holders own, directly and indirectly, 313,640,823 LP units, Redeemable/Exchangeable partnership units and BEPC exchangeable shares, on a combined basis and the remaining is held by public investors.

During the year ended December 31, 2023, Brookfield Renewable issued 304,899 LP units (2022: 262,177 LP units) under the distribution reinvestment plan at a total value of \$8 million (2022: \$9 million).

During the year ended December 31, 2023, exchangeable shareholders of BEPC exchanged 8,465 BEPC exchangeable shares (2022: 12,308 BEPC exchangeable shares) for an equivalent number of LP units amounting to less than \$1 million (2022: less than \$1 million).

In December 2023, Brookfield Renewable renewed its normal course issuer bid in connection with its LP units and outstanding BEPC exchangeable shares. Brookfield Renewable is authorized to repurchase up to 14,361,497 LP units and 8,982,586 BEPC exchangeable shares, representing 5% of each of its issued and outstanding LP units and BEPC exchangeable shares. The bids will expire on December 17, 2024, or earlier should Brookfield Renewable complete its repurchases prior to such date. During the year ended December 31, 2023, there were 1,856,044 LP units (2022: nil) repurchased and cancelled at a total cost of \$43 million (2022: nil). During the year ended December 31, 2023, Brookfield Corporation purchased 441,363 units (2022: nil). There were no BEPC exchangeable shares repurchased during the years ended December 31, 2023 or 2022. Subsequent to year-end, Brookfield Renewable repurchased 496,254 LP units on the Toronto Stock Exchange at a total cost of \$12 million.

PART 4 – FINANCIAL PERFORMANCE REVIEW ON PROPORTIONATE INFORMATION

SEGMENTED DISCLOSURES

Segmented information is prepared on the same basis that Brookfield Renewable’s Chief Executive Officer and Chief Financial Officer (collectively, the chief operating decision maker or “CODM”) manages the business, evaluates financial results, and makes key operating decisions. See “PART 9 – Presentation to Stakeholders and Performance Measurement” for information on segments and an explanation on the calculation and relevance of proportionate information, Adjusted EBITDA and Funds From Operations which are non-IFRS measures.

PROPORTIONATE RESULTS FOR THE YEAR ENDED DECEMBER 31

The following chart reflects the generation and summary financial figures on a **proportionate basis** for the year ended December 31:

	(GWh)				(MILLIONS)					
	Actual Generation		LTA Generation		Revenues		Adjusted EBITDA ⁽¹⁾		Funds From Operations	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Hydroelectric										
North America	11,603	11,285	12,161	12,161	\$ 1,029	\$ 964	\$ 670	\$ 603	\$ 402	\$ 412
Brazil	3,974	3,828	4,099	4,060	240	197	172	167	146	138
Colombia	3,408	4,411	3,647	3,802	293	273	175	201	76	117
	18,985	19,524	19,907	20,023	1,562	1,434	1,017	971	624	667
Wind	6,367	5,951	7,865	6,797	511	538	493	430	382	326
Utility-scale solar	2,489	1,878	3,123	2,406	365	374	372	362	261	253
Distributed energy & storage	1,241	1,050	956	886	241	242	180	189	133	148
Sustainable solutions	—	—	—	—	147	48	61	8	52	6
Corporate	—	—	—	—	—	—	59	42	(357)	(395)
Total	29,082	28,403	31,851	30,112	\$ 2,826	\$ 2,636	\$ 2,182	\$ 2,002	\$ 1,095	\$ 1,005

⁽¹⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure see “Reconciliation of Non-IFRS Measures” in this Management’s Discussion and Analysis.

HYDROELECTRIC OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for hydroelectric operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2023	2022
Revenue	\$ 1,562	\$ 1,434
Other income	33	47
Direct operating costs	(578)	(510)
Adjusted EBITDA	1,017	971
Interest expense	(367)	(262)
Current income taxes	(26)	(42)
Funds From Operations	<u>\$ 624</u>	<u>\$ 667</u>
<i>Generation (GWh) – LTA</i>	19,907	20,023
<i>Generation (GWh) – actual</i>	18,985	19,524
<i>Average revenue per MWh</i>	72	68

The following table presents our proportionate results by geography for hydroelectric operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	Actual Generation (GWh)		Average revenue per MWh ⁽¹⁾		Adjusted EBITDA ⁽²⁾		Funds From Operations	
	2023	2022	2023	2022	2023	2022	2023	2022
North America								
United States	7,766	7,109	\$ 84	\$ 83	\$ 425	\$ 363	\$ 271	\$ 270
Canada	3,837	4,176	63	63	245	240	131	142
	<u>11,603</u>	<u>11,285</u>	<u>77</u>	<u>76</u>	<u>670</u>	<u>603</u>	<u>402</u>	<u>412</u>
Brazil	3,974	3,828	60	51	172	167	146	138
Colombia	3,408	4,411	69	62	175	201	76	117
Total	<u>18,985</u>	<u>19,524</u>	<u>\$ 72</u>	<u>\$ 68</u>	<u>\$ 1,017</u>	<u>\$ 971</u>	<u>\$ 624</u>	<u>\$ 667</u>

⁽¹⁾ Average revenue per MWh was adjusted to net the impact of power purchases and any revenue with no corresponding generation.

⁽²⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure see “Reconciliation of Non-IFRS Measures” in this Management’s Discussion and Analysis.

North America

Funds From Operations at our North American business were \$402 million in 2023 versus \$412 million in the prior year as the benefit from favorable hydrology conditions in the United States (9% above prior year) and higher average revenue per MWh due to inflation indexation on our contracted generation was offset by lower resources in our high value Canadian markets and higher interest expense due to financing initiatives completed to fund growth.

Brazil

Funds From Operations at our Brazilian business were \$146 million in 2023 versus \$138 million in the prior year. Excluding a positive ruling that benefited the prior year (\$15 million), Funds From Operations was \$23 million higher than the prior year due to favorable generation and higher average revenue per MWh due to inflation indexation on contracted generation.

Colombia

Funds From Operations at our Colombian business were \$76 million in 2023 versus \$117 million in the prior year. On a constant currency basis, Adjusted EBITDA was in-line with the prior year as the benefit from higher average revenue per MWh due to stronger market prices was offset by lower resources as the prior year benefited from well above LTA conditions. This was offset by higher interest expense as a result of accelerated refinancing initiatives completed in the first half of the prior year to fund growth and a weaker Colombian peso versus the U.S. dollar.

WIND OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for wind operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2023	2022
Revenue	\$ 511	\$ 538
Other income	146	56
Direct operating costs	<u>(164)</u>	<u>(164)</u>
Adjusted EBITDA	493	430
Interest expense	(105)	(96)
Current income taxes	<u>(6)</u>	<u>(8)</u>
Funds From Operations	<u>\$ 382</u>	<u>\$ 326</u>
<i>Generation (GWh) – LTA</i>	<i>7,865</i>	<i>6,797</i>
<i>Generation (GWh) – actual</i>	<i>6,367</i>	<i>5,951</i>
<i>Average revenue per MWh</i>	<i>\$ 76</i>	<i>\$ 82</i>

Funds From Operations at our wind business were \$382 million in 2023 versus \$326 million in the prior year primarily due to the benefit from growth, including the completion of our 850-megawatt repowering project in the U.S, newly acquired and commissioned facilities (\$31 million and 1,084 GWh), inflation indexation on our contracted generation, and gains on sale of non-core assets and development assets being partially offset by lower average revenue per MWh as a result of adjustments to the regulated price earned by our Spanish assets that decreased revenues in the short term but has no impact on value given the regulatory construct.

UTILITY-SCALE SOLAR OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for utility-scale solar operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2023	2022
Revenue	\$ 365	\$ 374
Other income	106	90
Direct operating costs	<u>(99)</u>	<u>(102)</u>
Adjusted EBITDA	372	362
Interest expense	(110)	(102)
Current income taxes	<u>(1)</u>	<u>(7)</u>
Funds From Operations	<u>\$ 261</u>	<u>\$ 253</u>
<i>Generation (GWh) – LTA</i>	<i>3,123</i>	<i>2,406</i>
<i>Generation (GWh) – actual</i>	<i>2,489</i>	<i>1,878</i>
<i>Average revenue per MWh</i>	<i>\$ 147</i>	<i>\$ 197</i>

Funds From Operations at our utility-scale solar business were \$261 million in 2023 versus \$253 million in the prior year, as the benefits from newly acquired and commissioned facilities (\$16 million and 560 GWh) and gains on sale of development assets was partially offset by lower generation on a same store basis and lower average revenue per MWh due to adjustments to the regulated price earned by our Spanish assets that decreased revenues in the short term but has no impact on value given the regulatory construct.

DISTRIBUTED ENERGY & STORAGE OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for distributed energy & storage business for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	<u>2023</u>	<u>2022</u>
Revenue	\$ 241	\$ 242
Other income	20	23
Direct operating costs	<u>(81)</u>	<u>(76)</u>
Adjusted EBITDA	180	189
Interest expense	(43)	(40)
Current income taxes	<u>(4)</u>	<u>(1)</u>
Funds From Operations	<u>\$ 133</u>	<u>\$ 148</u>
<i>Generation (GWh) – LTA</i>	956	886
<i>Generation (GWh) – actual</i>	1,241	1,050
<i>Average revenue per MWh</i>	\$ 174	\$ 197

Funds From Operations at our distributed energy & storage business were \$133 million in 2023 versus \$148 million in the prior year as the benefits from recent acquisitions and development activities and stronger resources was offset by a decrease in average revenue per MWh due to generation mix and lower grid stability prices at our pumped storage facilities driven by lower pricing volatility.

SUSTAINABLE SOLUTIONS OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for sustainable solutions business for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	<u>2023</u>	<u>2022</u>
Revenue	\$ 147	\$ 48
Other income	19	3
Direct operating costs	<u>(105)</u>	<u>(43)</u>
Adjusted EBITDA	61	8
Interest expense	(6)	(2)
Current income taxes	<u>(3)</u>	<u>—</u>
Funds From Operations	<u>\$ 52</u>	<u>\$ 6</u>

Funds From Operations at our sustainable solutions business were \$52 million in 2023 versus \$6 million in the prior year due to growth and development including our investment in Westinghouse, which closed in the fourth quarter.

CORPORATE

The following table presents our results for corporate for the year ended December 31:

(MILLIONS)	<u>2023</u>	<u>2022</u>
Other income	\$ 88	\$ 73
Direct operating costs	<u>(29)</u>	<u>(31)</u>
Adjusted EBITDA	59	42
Current income taxes	—	(1)
Management service costs	(205)	(243)
Interest expense	(114)	(94)
Distributions ⁽¹⁾	<u>(97)</u>	<u>(99)</u>
Funds From Operations	<u>\$ (357)</u>	<u>\$ (395)</u>

⁽¹⁾ Distributions on Preferred Units, Class A Preference Shares and Perpetual Subordinated Notes.

PROPORTIONATE RESULTS FOR THE YEAR ENDED DECEMBER 31, 2022 AND 2021

The following chart reflects the generation and summary financial figures on a **proportionate basis** for the year ended December 31:

	(GWh)				(MILLIONS)					
	Actual Generation		LTA Generation		Revenues		Adjusted EBITDA ⁽¹⁾		Funds From Operations	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Hydroelectric										
North America	11,285	10,470	12,161	12,167	\$ 964	\$ 876	\$ 603	\$ 569	\$ 412	\$ 409
Brazil	3,828	3,626	4,060	4,004	197	169	167	155	138	131
Colombia	4,411	3,950	3,802	3,555	273	224	201	159	117	128
	<u>19,524</u>	<u>18,046</u>	<u>20,023</u>	<u>19,726</u>	<u>1,434</u>	<u>1,269</u>	<u>971</u>	<u>883</u>	<u>667</u>	<u>668</u>
Wind	5,951	6,096	6,797	7,249	538	556	430	511	326	396
Utility-scale solar	1,878	1,777	2,406	2,016	374	348	362	298	253	185
Distributed energy & storage	1,050	1,014	886	861	242	215	189	160	148	128
Sustainable solutions	—	—	—	—	48	27	8	13	6	5
Corporate	—	—	—	—	—	—	42	11	(395)	(448)
Total	<u>28,403</u>	<u>26,933</u>	<u>30,112</u>	<u>29,852</u>	<u>\$ 2,636</u>	<u>\$ 2,415</u>	<u>\$ 2,002</u>	<u>\$ 1,876</u>	<u>\$ 1,005</u>	<u>\$ 934</u>

⁽¹⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure see “Reconciliation of Non-IFRS Measures” in this Management’s Discussion and Analysis.

HYDROELECTRIC OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for hydroelectric operations the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2022	2021
Revenue	\$ 1,434	\$ 1,269
Other income	47	92
Direct operating costs	(510)	(478)
Adjusted EBITDA	971	883
Interest expense	(262)	(206)
Current income taxes	(42)	(9)
Funds From Operations	<u>\$ 667</u>	<u>\$ 668</u>
<i>Generation (GWh) – LTA</i>	20,023	19,726
<i>Generation (GWh) – actual</i>	19,524	18,046

The following table presents our proportionate results by geography for hydroelectric operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	Actual Generation (GWh)		Average revenue Per MWh ⁽¹⁾		Adjusted EBITDA ⁽²⁾		Funds From Operations	
	2022	2021	2022	2021	2022	2021	2022	2021
North America								
United States	7,109	7,088	\$ 83	\$ 72	\$ 363	\$ 359	\$ 270	\$ 256
Canada	4,176	3,382	63	63	240	210	142	153
	11,285	10,470	76	69	603	569	412	409
Brazil	3,828	3,626	51	47	167	155	138	131
Colombia	4,411	3,950	62	61	201	159	117	128
Total	<u>19,524</u>	<u>18,046</u>	<u>\$ 68</u>	<u>\$ 63</u>	<u>\$ 971</u>	<u>\$ 883</u>	<u>\$ 667</u>	<u>\$ 668</u>

⁽¹⁾ Average revenue per MWh was adjusted to net the impact of power purchases and any revenue with no corresponding generation.

⁽²⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure see “Reconciliation of Non-IFRS Measures” in this Management’s Discussion and Analysis.

North America

Funds From Operations at our North American business were \$412 million in 2022 versus \$409 million in the prior year as the benefit from favorable generation 8% above prior year and higher average revenue per MWh due to inflation indexation on our contracted generation and strong market pricing environment was partly offset by financing initiatives in Canada completed in 2021 to fund growth (\$32 million).

Brazil

Funds From Operations at our Brazilian business were \$138 million in 2022 versus \$131 million in the prior year. Excluding the impact of the positive ruling regarding historical under allocation of generation to our facilities under the centralized pooling mechanism that benefited the prior year (\$30 million), Funds From Operations was significantly higher than prior year primarily due to favorable generation (3% above prior year) and higher average revenue per MWh on our contracted generation due to inflation indexation as well as contribution from the commissioning of a 30 MW hydroelectric facility in the second quarter of 2022 (\$3 million and 84 GWh).

Colombia

Funds From Operations at our Colombian business were \$117 million in 2022 versus \$128 million in the prior year. On a local currency basis, Funds From Operations was 4% higher than the prior year due to the benefit from newly acquired and commissioned facilities during the year (\$14 million and 242 GWh), higher generation that was 16% above long-term average and higher average revenue per MWh due to inflation indexation and recontracting initiatives, partly offset by interest expense as a result of accelerating refinancing initiatives. The increase was more than offset by weakening of the Colombian peso versus the U.S. dollar.

WIND OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for wind operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2022	2021
Revenue	\$ 538	\$ 556
Other income	56	126
Direct operating costs	(164)	(171)
Adjusted EBITDA	430	511
Interest expense	(96)	(106)
Current income taxes	(8)	(9)
Funds From Operations	<u>\$ 326</u>	<u>\$ 396</u>
<i>Generation (GWh) – LTA</i>	6,797	7,249
<i>Generation (GWh) – actual</i>	5,951	6,096

Funds From Operations at our wind business were \$326 million in 2022 versus \$396 million in the prior year. On a same store basis, net of growth, and asset sales in 2021 at our North America and Europe portfolios (\$130 million and 387 GWh), Funds From Operations were higher than prior year due to favorable resources and a higher average revenue per MWh due to inflation indexation, generation mix and higher market prices in Spain.

UTILITY-SCALE SOLAR OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for utility-scale solar operations for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2022	2021
Revenue	\$ 374	348
Other income	90	39
Direct operating costs	(102)	(89)
Adjusted EBITDA	362	298
Interest expense	(102)	(111)
Current income taxes	(7)	(2)
Funds From Operations	<u>\$ 253</u>	<u>\$ 185</u>
<i>Generation (GWh) – LTA</i>	2,406	2,016
<i>Generation (GWh) – actual</i>	1,878	1,777

Funds From Operations at our utility-scale solar business were \$253 million in 2022 versus \$185 million in the prior year, as the benefit from newly acquired and commissioned facilities, including a gain on sale of a solar development project in North America (\$25 million and 249 GWh), and higher market prices in Spain was partly offset by lower resources.

DISTRIBUTED ENERGY & STORAGE OPERATIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for distributed energy & storage business for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2022	2021
Revenue	\$ 242	\$ 215
Other income	23	—
Direct operating costs	(76)	(55)
Adjusted EBITDA	189	160
Interest expense	(40)	(30)
Current income taxes	(1)	(2)
Funds From Operations	<u>\$ 148</u>	<u>\$ 128</u>
<i>Generation (GWh) – LTA</i>	886	861
<i>Generation (GWh) – actual</i>	1,050	1,014

Funds From Operations at our distributed energy & storage business were \$148 million in 2022 versus \$128 million in the prior year primarily due to the benefit from growth and higher pricing for grid stability services provided by our pumped storage facilities on the back of higher and more volatile power prices.

SUSTAINABLE SOLUTIONS ON PROPORTIONATE BASIS

The following table presents our proportionate results for sustainable solutions business for the year ended December 31:

(MILLIONS, EXCEPT AS NOTED)	2022	2021
Revenue	\$ 48	\$ 27
Other income	3	3
Direct operating costs	(43)	(17)
Adjusted EBITDA	8	13
Interest expense	(2)	(8)
Current income taxes	—	—
Funds From Operations	<u>\$ 6</u>	<u>\$ 5</u>

Funds From Operations at our sustainable solutions business were \$6 million in 2022 versus \$5 million in the prior year primarily due to the benefit from the growth of our structured financial investments and business transformation portfolios.

CORPORATE

The following table presents our results for corporate for the year ended December 31:

(MILLIONS)	2022	2021
Other income	\$ 73	\$ 41
Direct operating costs	(31)	(30)
Adjusted EBITDA	42	11
Current income taxes	(1)	—
Management service costs	(243)	(288)
Interest expense	(94)	(78)
Distributions ⁽¹⁾	(99)	(93)
Funds From Operations	<u>\$ (395)</u>	<u>\$ (448)</u>

⁽¹⁾ Distributions on Preferred Units and Class A Preference Shares.

RECONCILIATION OF NON-IFRS MEASURES

The following table reconciles the non-IFRS financial measures to the most directly comparable IFRS measures. Net income (loss) is reconciled to Adjusted EBITDA for the year ended December 31, 2023:

(MILLIONS)	Attributable to Unitholders								
	Hydroelectric			Wind	Utility -scale solar	Distributed energy & storage	Sustainable solutions	Corporate	Total
	North America	Brazil	Colombia						
Net income (loss)	\$ 207	\$ 28	\$ 188	\$ 307	\$ 209	\$ (90)	\$ 102	\$ (335)	\$ 616
Add back or deduct the following:									
Depreciation	424	101	127	709	348	56	85	2	1,852
Deferred income tax expense (recovery)	(69)	3	5	20	(43)	(37)	(22)	(33)	(176)
Foreign exchange and financial instrument loss (gain)	(153)	(2)	(7)	(239)	(17)	(5)	(89)	10	(502)
Other ⁽¹⁾	19	12	8	(111)	(171)	111	3	23	(106)
Management service costs	—	—	—	—	—	—	—	205	205
Interest expense	333	48	364	297	282	59	94	150	1,627
Current income tax expense	1	8	76	20	13	—	—	10	128
Amount attributable to equity accounted investments and non-controlling interests ⁽²⁾	(92)	(26)	(586)	(510)	(249)	86	(112)	27	(1,462)
Adjusted EBITDA	670	172	175	493	372	180	61	59	2,182

⁽¹⁾ Other corresponds to certain non-recurring other income items as well as certain non-recurring amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 7 - Other Income in the Audited Consolidated Financial Statements. Also refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽²⁾ Amount attributable to equity accounted investments corresponds to the adjusted EBITDA to Brookfield Renewable that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Adjusted EBITDA attributable to non-controlling interest, our partnership is able to remove the portion of Adjusted EBITDA earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reflects Adjusted EBITDA and provides a reconciliation to net income (loss) for the year ended December 31, 2022:

(MILLIONS)	Attributable to Unitholders								
	Hydroelectric			Wind	Utility-scale solar	Distributed energy & storage	Sustainable solutions	Corporate	Total
	North America	Brazil	Colombia						
Net income (loss)	\$ (72)	\$ 61	\$ 370	\$ 7	\$ (56)	\$ 122	\$ 2	\$ (296)	\$ 138
Add back or deduct the following:									
Depreciation	414	91	108	552	291	96	28	3	1,583
Deferred income tax expense (recovery)	(86)	(20)	40	35	(35)	(3)	(1)	(80)	(150)
Foreign exchange and financial instrument loss (gain)	255	(3)	(69)	(77)	80	(39)	(8)	(6)	133
Other ⁽¹⁾	21	13	31	113	109	—	77	93	457
Management service costs	—	—	—	—	—	—	—	243	243
Interest expense	302	47	237	254	195	78	2	109	1,224
Current income tax expense	3	8	112	16	7	—	2	—	148
Amount attributable to equity accounted investments and non-controlling interests ⁽²⁾	(234)	(30)	(628)	(470)	(229)	(65)	(94)	(24)	(1,774)
Adjusted EBITDA	\$ 603	\$ 167	\$ 201	\$ 430	\$ 362	\$ 189	\$ 8	\$ 42	\$ 2,002

⁽¹⁾ Other corresponds to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽²⁾ Amount attributable to equity accounted investments corresponds to the adjusted EBITDA to Brookfield Renewable that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Adjusted EBITDA attributable to non-controlling interest, our partnership is able to remove the portion of Adjusted EBITDA earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reflects Adjusted EBITDA and provides a reconciliation to net income (loss) for the year ended December 31, 2021:

(MILLIONS)	Attributable to Unitholders								
	Hydroelectric			Wind	Utility -scale solar	Distributed energy & storage	Sustainable solutions	Corporate	Total
	North America	Brazil	Colombia						
Net income (loss)	\$ 31	\$ 56	\$ 222	\$ (88)	\$ 6	\$ 96	\$ (32)	\$ (357)	\$ (66)
Add back or deduct the following:									
Depreciation	368	74	103	597	263	83	11	2	1,501
Deferred income tax expense (recovery)	(50)	(2)	175	(37)	(34)	(9)	1	(73)	(29)
Foreign exchange and financial instrument loss (gain)	74	2	(29)	40	(23)	5	(1)	(36)	32
Other ⁽¹⁾	(3)	13	39	151	92	25	27	108	452
Management service costs	—	—	—	—	—	—	—	288	288
Interest expense	255	33	119	247	187	12	36	92	981
Current income tax expense	3	9	13	13	5	—	—	—	43
Amount attributable to equity accounted investments and non-controlling interests ⁽²⁾	(109)	(30)	(483)	(412)	(198)	(52)	(29)	(13)	(1,326)
Adjusted EBITDA	569	155	159	511	298	160	13	11	1,876

- ⁽¹⁾ Other corresponds to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.
- ⁽²⁾ Amount attributable to equity accounted investments corresponds to the adjusted EBITDA to Brookfield Renewable that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Adjusted EBITDA attributable to non-controlling interest, our partnership is able to remove the portion of Adjusted EBITDA earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reconciles the non-IFRS financial measures to the most directly comparable IFRS measures. Net income (loss) is reconciled to Funds From Operations for the years indicated:

(MILLIONS)	<u>2023</u>	<u>2022</u>	<u>2021</u>
Net income (loss)	\$ 616	\$ 138	\$ (66)
Add back or deduct the following:			
Depreciation	1,852	1,583	1,501
Deferred income tax recovery	(176)	(150)	(29)
Foreign exchange and financial instruments (gain) loss	(502)	133	32
Other ⁽¹⁾	(106)	457	452
Amount attributable to equity accounted investments and non-controlling interest ⁽²⁾	(589)	(1,156)	(956)
Funds From Operations	<u>\$ 1,095</u>	<u>\$ 1,005</u>	<u>\$ 934</u>

⁽¹⁾ Other corresponds to certain non-recurring other income items as well as certain non-recurring amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 7 - Other Income in the Audited Consolidated Financial Statements. Also refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽²⁾ Amount attributable to equity accounted investments corresponds to the Funds From Operations that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Funds From Operations attributable to non-controlling interest, our partnership is able to remove the portion of Funds From Operations earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reconciles the per unit non-IFRS financial measures to the most directly comparable IFRS measures. Basic earnings per LP unit is reconciled to Funds From Operations per Unit, for the years indicated:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Basic loss per LP unit ⁽¹⁾	\$ (0.32)	\$ (0.60)	\$ (0.69)
Depreciation	1.55	1.45	1.43
Foreign exchange and financial instruments (gain) loss	(0.21)	0.30	0.20
Deferred income tax recovery	(0.19)	(0.24)	(0.21)
Other ⁽²⁾	0.84	0.65	0.72
Funds From Operations per Unit ⁽³⁾	<u>\$ 1.67</u>	<u>\$ 1.56</u>	<u>\$ 1.45</u>

⁽¹⁾ During the year ended December 31, 2023, on average there were 282.4 million LP units outstanding (2022: 275.2 million, 2021: 274.9 million).

⁽²⁾ Other corresponds to certain non-recurring other income items as well as certain non-recurring amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 7 - Other Income in the Audited Consolidated Financial Statements. Also refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽³⁾ Average units outstanding, for the year ended December 31, 2023, were 657.1 million (2022: 645.9 million, 2021: 645.6 million), being inclusive of GP interest, Redeemable/Exchangeable partnership units, LP units, and BEPC exchangeable shares.

CONTRACT PROFILE

We operate our power business on a largely contracted basis to provide a high degree of predictability in Funds From Operations. We maintain a long-term view that electricity prices and the demand for electricity will rise due to electrification of the global economy including segments like industrial and transportation as well as from increasing digitalization. We also expect demand for clean power to grow on the increasing level of acceptance around climate change, the legislated requirements in some areas to diversify away from fossil fuel based generation and because renewables are the cheapest form of bulk electricity generation.

In Brazil and Colombia, we also expect power prices will continue to be supported by the need to build new supply over the medium-to-long term to serve growing demand. In these markets, contracting for power is the only current mechanism to buy and sell power, and therefore we would expect to capture rising prices as we re-contract our power over the medium-term.

The following table sets out our power contracts over the next five years for generation output in North America, Brazil, Europe and certain other countries, assuming long-term average on a proportionate basis. The table excludes Brazil and Colombia hydroelectric portfolios, where we would expect the energy associated with maturing contracts to be re-contracted in the normal course given the construct of the respective power markets. In these countries we currently have a contracted profile of approximately 93% and 70%, respectively, of the long-term average and we would expect to maintain this going forward. Overall, our power portfolio has a weighted-average remaining contract duration of 13 years on a proportionate basis.

(GWh, except as noted)	2024	2025	2026	2027	2028
Hydroelectric					
North America					
United States ⁽¹⁾	7,261	6,728	5,602	5,318	4,674
Canada	3,620	3,620	3,620	3,620	3,620
	10,881	10,348	9,222	8,938	8,294
Wind	7,979	7,934	7,837	7,537	7,404
Utility-scale solar	3,765	3,802	3,792	3,782	3,745
Distributed energy & storage	983	974	963	944	931
Sustainable solutions	44	36	32	32	31
Contracted on a proportionate basis	23,652	23,094	21,846	21,233	20,405
Uncontracted on a proportionate basis	3,376	3,934	5,182	5,795	6,623
Long-term average on a proportionate basis	27,028	27,028	27,028	27,028	27,028
Non-controlling interests	45,043	45,043	45,043	45,043	45,043
Total long-term average	72,071	72,071	72,071	72,071	72,071
Contracted generation as a % of total generation on a proportionate basis	88%	85%	81%	79%	75%
Price per MWh – total generation on a proportionate basis	\$ 79	\$ 79	\$ 80	\$ 81	\$ 83

⁽¹⁾ Includes generation of 1,777 GWh for 2024, 1,546 GWh for 2025, 947 GWh for 2026, and 640 GWh for 2027 secured under financial contracts.

Weighted-average remaining power contract durations on a proportionate basis are 15 years in North America, 13 years in Europe, 9 years in Brazil, 4 years in Colombia, and 13 years across our remaining jurisdictions.

In North America, over the next five years, a number of contracts will expire at our hydroelectric facilities. Based on current market prices for energy and ancillary products, we expect a net positive impact to cash flows.

In our Colombian portfolio, we continue to focus on securing long-term contracts while maintaining a certain percentage of uncontracted generation so as to mitigate hydrology risk.

The majority of Brookfield Renewable's long-term power purchase agreements within our North American and European businesses are with investment-grade rated or creditworthy counterparties. The economic exposure of our contracted generation on a proportionate basis is distributed as follows: power authorities (37%), distribution companies (22%), commercial and industrial users (29%), and Brookfield (12%).

PART 5 – LIQUIDITY AND CAPITAL RESOURCES

CAPITALIZATION

A key element of our financing strategy is to raise the majority of our debt in the form of asset-specific, non-recourse borrowings at our subsidiaries on an investment-grade basis with no maintenance covenants. Substantially all of our debt is either investment grade rated or sized to investment grade and approximately 91% of debt is non-recourse.

The following table summarizes our capitalization as at December 31:

(MILLIONS, EXCEPT AS NOTED)	Corporate		Consolidated	
	2023	2022	2023	2022
Commercial paper ⁽¹⁾	183	249	183	249
Debt				
Medium-term notes ⁽²⁾	2,660	2,307	2,660	2,307
Non-recourse borrowings ⁽³⁾	—	—	27,020	22,321
	2,660	2,307	29,680	24,628
Deferred income tax liabilities, net ⁽⁴⁾	—	—	6,930	6,331
Equity				
Non-controlling interest	—	—	18,863	14,755
Preferred equity	583	571	583	571
Perpetual subordinated notes	592	592	592	592
Preferred limited partners' equity	760	760	760	760
Unitholders' equity	9,181	9,608	9,181	9,608
Total capitalization	\$ 13,776	\$ 13,838	\$ 66,589	\$ 57,245
Debt-to-total capitalization	19 %	17 %	45 %	43 %
Debt-to-total capitalization (market value) ⁽⁵⁾	12 %	11 %	40 %	39 %

⁽¹⁾ Draws on corporate credit facilities and commercial paper issuances are excluded from the debt-to-total capitalization ratios as they are not a permanent source of capital.

⁽²⁾ Medium-term notes are unsecured and guaranteed by Brookfield Renewable and excludes \$10 million (2022: \$8 million) of deferred financing fees, net of unamortized premiums.

⁽³⁾ Consolidated non-recourse borrowings include \$2,626 million (2022: \$1,838 million) borrowed under a subscription facility of a Brookfield sponsored private fund and excludes \$140 million (2022: \$124 million) of deferred financing fees and \$11 million (2022: \$105 million) of unamortized premiums.

⁽⁴⁾ Deferred income tax liabilities less deferred income tax assets.

⁽⁵⁾ Based on market values of Preferred equity, Perpetual subordinated notes, Preferred limited partners' equity and Unitholders' equity.

AVAILABLE LIQUIDITY

The following table summarizes the available liquidity as at December 31:

(MILLIONS)	<u>2023</u>	<u>2022</u>
Brookfield Renewable's share of cash and cash equivalents.....	\$ 567	\$ 444
Investments in marketable securities.....	309	211
Corporate credit facilities		
Authorized credit facilities.....	2,375	2,375
Draws on credit facilities ⁽¹⁾	(165)	—
Authorized letter of credit facility.....	500	500
Issued letters of credit.....	(307)	(344)
Available portion of corporate credit facilities.....	<u>2,403</u>	<u>2,531</u>
Available portion of subsidiary credit facilities on a proportionate basis.....	<u>842</u>	<u>509</u>
Available liquidity.....	<u>\$ 4,121</u>	<u>\$ 3,695</u>

⁽¹⁾ Relates to letter of credit issued against Brookfield Renewable's corporate credit facilities.

We operate with sufficient liquidity to enable us to fund growth initiatives, capital expenditures, distributions and withstand sudden adverse changes in economic circumstances or short-term fluctuations in generation. We maintain a strong, investment grade balance sheet characterized by a conservative capital structure, access to multiple funding levers including a focus on capital recycling on an opportunistic basis, and diverse sources of capital. Principal sources of liquidity are cash flows from operations, our credit facilities, up-financings on non-recourse borrowings and proceeds from the issuance of various securities through public markets.

BORROWINGS

The composition of debt obligations, overall maturity profile, and average interest rates associated with our borrowings and credit facilities on a proportionate basis as at December 31 is presented in the following table:

(MILLIONS, EXCEPT AS NOTED)	2023			2022		
	Weighted-average		Total ⁽¹⁾	Weighted-average		Total ⁽¹⁾
	Interest rate % ⁽¹⁾	Term (years)		Interest rate % ⁽¹⁾	Term (years)	
Corporate borrowings						
Credit facilities	N/A	5	\$ —	N/A	5	\$ —
Commercial paper	6.0	<1	183	5.1	<1	249
Medium-term notes	4.3	10	2,660	4.1	11	2,307
Proportionate non-recourse borrowings ⁽²⁾⁽³⁾						
Hydroelectric	6.0	12	5,215	5.7	13	5,150
Wind	5.0	9	2,408	4.6	9	1,935
Utility-scale solar	5.1	13	2,596	3.6	13	2,367
Distributed energy and storage	4.5	8	917	4.3	9	897
Sustainable solutions	6.6	7	391	—	—	—
	<u>5.4</u>	<u>12</u>	<u>11,527</u>	<u>4.9</u>	<u>12</u>	<u>10,349</u>
			<u>\$ 14,370</u>			<u>\$ 12,905</u>
Proportionate unamortized financing fees, net of unamortized premiums			(88)			(64)
			<u>14,282</u>			<u>12,841</u>
Equity-accounted borrowings			(987)			(373)
Non-controlling interests and other ⁽⁴⁾			16,407			12,382
As per IFRS Statements			<u>\$ 29,702</u>			<u>\$ 24,850</u>

⁽¹⁾ Includes cash yields on tax equity.

⁽²⁾ Includes adjustments for project-level refinancing subsequent to December 31, 2023.

⁽³⁾ See “Part 8 – Presentation to Stakeholders and Performance Measurement” for information on proportionate debt.

⁽⁴⁾ Includes tax equity liability.

The following table summarizes our undiscounted principal repayments, scheduled amortization and interest repayable on a proportionate basis as at December 31, 2023:

(MILLIONS)	2024	2025	2026	2027	2028	Thereafter	Total
Debt principal repayments⁽¹⁾							
Medium-term notes ⁽²⁾	\$ —	\$ 302	\$ —	\$ 377	\$ —	\$ 1,981	\$ 2,660
Non-recourse borrowings ⁽³⁾							
Hydroelectric	80	385	269	172	189	1,309	2,404
Wind	100	19	73	1	186	298	677
Utility-scale solar	2	21	43	1	196	280	543
Distributed energy & storage	3	153	—	1	66	195	418
Sustainable solutions	1	5	2	1	12	344	365
	186	583	387	176	649	2,426	4,407
Amortizing debt principal repayments							
Non-recourse borrowings							
Hydroelectric	163	164	180	152	174	1,985	2,818
Wind	194	178	175	173	154	855	1,729
Utility-scale solar	152	161	150	154	149	1,286	2,052
Distributed energy & storage	43	38	36	31	30	336	514
Sustainable solutions	4	2	1	—	—	—	7
	556	543	542	510	507	4,462	7,120
Total	\$ 742	\$ 1,428	\$ 929	\$ 1,063	\$ 1,156	\$ 8,869	\$ 14,187
Interest payable⁽¹⁾⁽²⁾⁽⁴⁾							
Medium-term notes ⁽¹⁾	\$ 113	\$ 107	\$ 102	\$ 95	\$ 88	\$ 669	\$ 1,174
Non-recourse borrowings							
Hydroelectric	320	291	258	229	200	1,571	2,869
Wind	118	99	87	76	64	172	616
Utility-scale solar	113	115	106	97	85	356	872
Distributed energy & storage	43	38	31	29	27	48	216
Sustainable solutions	26	25	26	25	25	4	131
	620	568	508	456	401	2,151	4,704
Total	\$ 733	\$ 675	\$ 610	\$ 551	\$ 489	\$ 2,820	\$ 5,878

(1) Draws on corporate credit facilities and commercial paper issuances are excluded from the debt repayment schedule as they are not a permanent source of capital.

(2) Medium-term notes are unsecured and guaranteed by Brookfield Renewable and excludes \$10 million (2022: \$8 million) of deferred financing fees, net of unamortized premiums.

(3) Includes adjustments for project-level refinancing subsequent to December 31, 2023.

(4) Represents aggregate interest payable expected to be paid over the entire term of the obligations, if held to maturity. Variable rate interest payments have been calculated based on estimated interest rates.

We remain focused on refinancing near-term facilities on acceptable terms and maintaining a manageable maturity ladder. We do not anticipate material issues in addressing our borrowings through 2028 on acceptable terms and will do so opportunistically based on the prevailing interest rate environment.

CAPITAL EXPENDITURES

We fund growth capital expenditures with cash flow generated from operations, supplemented by non-recourse debt sized to investment grade coverage and covenant thresholds. This is designed to ensure that our investments have stable capital structures supported by a substantial level of equity and that cash flows at the asset level can be remitted freely to our company. This strategy also underpins our investment grade profile.

To fund large scale development projects and acquisitions, we will evaluate a variety of capital sources including proceeds from selling mature businesses and upfinancings, in addition to raising money in the capital markets through equity, debt and preferred share issuances. Furthermore, we have \$2.38 billion committed revolving credit facilities available for investments and acquisitions, as well as funding the equity component of organic growth initiatives. The facilities are intended, and have historically been used, as a bridge to a long-term financing strategy rather than a permanent source of capital.

CONSOLIDATED STATEMENTS OF CASH FLOWS

The following table summarizes the key items in the audited annual consolidated statements of cash flows, for the year ended December 31:

(MILLIONS)	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash flow provided by (used in):			
Operating activities	1,865	1,711	734
Financing activities	2,596	3,489	2,143
Investing activities	(4,356)	(5,066)	(2,544)
Foreign exchange (loss) gain on cash	38	(28)	(35)
Increase in cash and cash equivalents	<u>\$ 143</u>	<u>\$ 106</u>	<u>\$ 298</u>

Operating Activities

Cash flows provided by operating activities for the year ended December 31, 2023, totaled \$1,865 million compared to \$1,711 million in 2022 and \$734 million in 2021, reflecting the strong operating performance of our business during the period.

Financing Activities

Cash flows provided by financing activities totaled \$2,596 million for the year ended December 31, 2023. The strength of our balance sheet and access to diverse sources of capital allowed us to fund the growth as discussed below and allowed us to generate net proceeds of \$2,208 million for the year ended December 31, 2023, including the issuance of C\$400 million (\$293 million) of medium term notes and \$630 million of equity financing net of transaction fees through a bought deal of both LP units and BEPC exchangeable shares, and a concurrent private placement of LP units during the second quarter of 2023.

Distributions, including incentive distributions to the general partners, paid during the year ended December 31, 2023, 2022 and 2021 to Unitholders were \$990 million, \$915 million and \$854 million, respectively. We increased our distributions to \$1.35 per LP unit in 2023 (2022: \$1.28 and 2021: \$1.22), representing a 5.5% increase per LP unit, which took effect in the first quarter of 2023. The distributions paid to preferred shareholders, preferred limited partners' unitholders, perpetual subordinate notes, and participating non-controlling interests in operating subsidiaries during the year ended December 31, 2023, 2022 and 2021 totaled \$967 million, \$1,372 million and \$900 million, respectively. Our non-controlling interest contributed capital, net of capital repaid, of \$2,345 million during the year ended December 31, 2023.

Cash flows provided by financing activities totaled \$3,489 million for the year ended December 31, 2022. The strength of our balance sheet and access to diverse sources of capital allowed us to fund the growth of our business and generate \$3,486 million of net proceeds from commercial paper, corporate and non-recourse upfinancings, as well as issue \$115 million of fixed-rate green perpetual Class A preferred limited partnership units and \$296 million of 10-year corporate green bonds.

Cash flows provided by financing activities totaled \$2,143 million for the year ended December 31, 2021. The strength of our balance sheet and access to diverse sources of capital allowed us to fund the growth of our business and generate \$3,225 million of net proceeds from corporate and non-recourse upfinancings, including a C\$1.1 billion strategic financing of a Canadian hydro facility concurrent with signing a power purchase agreement with Hydro Quebec and \$592 million of net proceeds from the issuance of our inaugural perpetual green subordinated notes. During the year, we redeemed our Series 9 Preferred Limited Partnership Units for \$153 million.

Investing Activities

Cash flows used in investing activities totaled \$4,356 million for the year ended December 31, 2023. During the year, we invested \$2,160 million into growth including the acquisition of Westinghouse through a strategic partnership, the purchase of an incremental 4% interest in X-Elio, a developer and operator of renewable power assets in the US with 5,900 MW of operating and under construction assets and a 6,100 MW development pipeline, a UK renewable developer with 260 MW onshore wind assets, 800 MW near-term development and another 3 GW of later stage projects, renewable platforms in India with 4,500 MW of operating and development assets, 136 MW and 60 MW portfolios of operating wind assets in Brazil, a distributed generation platform with approximately 730 MW of development pipeline in Brazil, and a 200 MW solar development project in China. Our continued investment in our property, plant and equipment, including 675 MW of wind, solar and distributed generation development projects in the U.S., 248 MW of wind development projects in Brazil, 281 MW of wind development projects in China, 268 MW of solar development assets in India and 60 MW of solar assets in Colombia totaled \$2,809 million for the year ended December 31, 2023, partially offset by proceeds of \$648 million generated from the sale of non-core wind and solar assets and securities for the year ended December 31, 2023.

Cash flows used in investing activities totaled \$5,066 million for the year ended December 31, 2022. During the year, we invested \$2,452 million into growth, including, an over 800 MW portfolio of operating wind assets and a development pipeline of over 22 GW, a 20 GW portfolio of utility solar and energy storage development platform in the United States, a distributed generation developer with 500 MW of contracted operating and under construction assets, and an 1.8 GW of development pipeline in the United States, a 1.7 GW of utility-scale solar development portfolio in Germany and an 83% interest in a 437 MW distributed generation portfolio of high quality operating and development assets in Chile. Our continued investment in our property, plant and equipment, including the acquisitions of over 400 MW of operating and development wind portfolios in Brazil and China, as well as the construction of 1,200 MW solar facility in Brazil and the repowering of an 845 MW wind farm in Oregon, totaled \$2,190 million for the year ended December 31, 2022.

Cash flows used in investing activities totaled \$2,544 million for the year ended December 31, 2021. During the year, we recycled the capital from the sale of wind portfolios in Europe and the United States, which closed in the second and third quarter of 2021 for \$379 million and \$448 million, respectively, into accretive growth opportunities, investing \$1,480 million to acquire, among others, an 845 MW wind portfolio, a distributed generation platform comprised of 360 MW of operating and under construction solar assets with a development pipeline of over 700 MW of development assets in the United States, and a 23% interest in a scale renewable business in Europe with an interest in a 3,000 MW offshore wind development pipeline. Our continued investment in our property, plant and equipment, including the construction of 1,800 MW of solar developments projects in Brazil, of which 357 MW reached commercial operations during the year, and the continuing initiative to repower existing wind power projects, totaled \$1,967 million for the year ended December 31, 2021.

SHARES, NOTES AND UNITS OUTSTANDING

Shares and units outstanding as at December 31 are as follows:

	December 31, 2023	December 31, 2022
Class A Preference Shares⁽¹⁾	31,035,967	31,035,967
Perpetual Subordinated Notes	24,400,000	24,400,000
Preferred Units⁽²⁾	38,000,000	38,000,000
GP interest	3,977,260	3,977,260
Redeemable/Exchangeable partnership units	194,487,939	194,487,939
BEPC exchangeable shares		
Balance, beginning of year	172,218,098	172,203,342
Issuance	7,441,893	27,064
Exchanged for BEP LP units	(8,465)	(12,308)
Balance, end of period	179,651,526	172,218,098
LP units		
Balance, beginning of year	275,358,750	275,084,265
Issuance	13,348,270	—
Repurchase of LP units for cancellation	(1,856,044)	—
Distribution reinvestment plan	304,899	262,177
Issued in exchange for BEPC exchangeable shares	8,465	12,308
Balance, end of period	287,164,340	275,358,750
Total LP units on a fully-exchanged basis ⁽³⁾	661,303,805	642,064,787

⁽¹⁾ Class A Preference Shares are broken down by series as follows: 6,849,533 Series 1 Class A Preference Shares are outstanding; 3,110,531 Series 2 Class A Preference Shares are outstanding; 9,961,399 Series 3 Class A Preference Shares are outstanding; 4,114,504 Series 5 Class A Preference Shares are outstanding; and 7,000,000 Series 6 Class A Preference Shares are outstanding.

⁽²⁾ Preferred Units are broken down by series and certain series are convertible on a one for one basis at the option of the holder as follows: 7,000,000 Series 7 Preferred Units are outstanding (convertible for Series 8 Preferred Units beginning on January 31, 2026); 10,000,000 Series 13 Preferred Units are outstanding (convertible for Series 14 Preferred Units beginning on April 30, 2028); 7,000,000 Series 15 Preferred Units are outstanding (convertible for Series 16 Preferred Units beginning on April 30, 2024); 8,000,000 Series 17 Preferred Units are outstanding; and 6,000,000 Series 18 Preferred Units are outstanding.

⁽³⁾ The fully-exchanged amounts assume the exchange of all Redeemable/Exchangeable partnership units and BEPC exchangeable shares for LP units.

DIVIDENDS AND DISTRIBUTIONS

The following table summarizes the dividends and distributions declared and paid, for the year ended December 31:

(MILLIONS)	Declared			Paid		
	2023	2022	2021	2023	2022	2021
Class A Preference Shares	\$ 27	\$ 26	\$ 26	\$ 27	\$ 26	\$ 26
Perpetual Subordinated Notes	\$ 29	\$ 29	\$ 12	\$ 29	\$ 27	\$ 9
Class A Preferred LP units	\$ 41	\$ 44	\$ 55	\$ 41	\$ 44	\$ 55
Participating non-controlling interests – in operating subsidiaries	\$ 1,428	\$ 1,275	\$ 810	\$ 870	\$ 1,275	\$ 810
GP Interest and incentive distributions	\$ 116	\$ 100	\$ 85	\$ 116	\$ 100	\$ 85
Redeemable/Exchangeable partnership units	\$ 265	\$ 250	\$ 237	\$ 263	\$ 250	\$ 237
BEPC exchangeable shares	\$ 241	\$ 220	\$ 209	\$ 241	\$ 220	\$ 207
LP units	\$ 383	\$ 355	\$ 335	\$ 370	\$ 345	\$ 325

LP unit distributions per unit on an annualized basis were increased as follows:

Date of Increase	Amount of Increase	% Increase	Annual Distribution	Distribution Effective Date
February 2020	\$0.06	5%	\$1.16	March 2020
February 2021	\$0.06	5%	\$1.22	March 2021
February 2022	\$0.06	5%	\$1.28	March 2022
February 2023	\$0.07	5%	\$1.35	March 2023
February 2024	\$0.07	5%	\$1.42	March 2024

CONTRACTUAL OBLIGATIONS

Please see Note 27 – Commitments, contingencies and guarantees in the audited annual consolidated financial statements for further details on the following:

- *Commitments* – Water, land, and dam usage agreements, and agreements and conditions on committed acquisitions of operating portfolios and development projects;
- *Contingencies* – Legal proceedings, arbitrations and actions arising in the normal course of business, and providing for letters of credit; and
- *Guarantees* – Nature of all the indemnification undertakings and guarantees to third-parties for certain transactions.

SUPPLEMENTAL FINANCIAL INFORMATION

In April 2021 and December 2021, Brookfield BRP Holdings (Canada) Inc., a wholly-owned subsidiary of Brookfield Renewable, issued \$350 million and \$260 million, respectively, of perpetual subordinated notes at a fixed rate of 4.625% and 4.875%, respectively.

These notes are fully and unconditionally guaranteed, on a subordinated basis by each of Brookfield Renewable Partners L.P., BRELP, BRP Bermuda Holdings I Limited, Brookfield BRP Europe Holdings Limited, and BEP Subco Inc (together, the "guarantor subsidiaries"). The other subsidiaries of Brookfield Renewable do not guarantee the securities and are referred to below as the "non-guarantor subsidiaries".

Pursuant to Rule 13-01 of the SEC's Regulation S-X, the following table provides combined summarized financial information of Brookfield BRP Holdings (Canada) Inc. and the guarantor subsidiaries for the year ended December 31:

(MILLIONS)	2023	2022	2021
Revenues ⁽¹⁾	\$ —	\$ —	\$ —
Gross profit	—	—	—
Dividend income from non-guarantor subsidiaries	511	777	562
Net income	428	708	532

⁽¹⁾ Brookfield Renewable's total revenues for the year ended December 31, 2023 were \$5,038 million (2022: \$4,711 million and 2021: \$4,096 million).

(MILLIONS)	December 31, 2023	December 31, 2022
Current assets ⁽¹⁾	\$ 776	\$ 820
Total assets ⁽²⁾⁽³⁾	2,521	2,253
Current liabilities ⁽⁴⁾	8,399	7,862
Total liabilities ⁽⁴⁾	8,455	7,877

⁽¹⁾ Amount due from non-guarantor subsidiaries was \$767 million (2022: \$809 million).

⁽²⁾ Brookfield Renewable's total assets as at December 31, 2023 and December 31, 2022 were \$76,128 million and \$64,111 million.

⁽³⁾ Amount due from non-guarantor subsidiaries was \$2,421 million (2022: \$2,167 million).

⁽⁴⁾ Amount due to non-guarantor subsidiaries was \$8,045 million (2022: \$7,408 million).

OFF-STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

Brookfield Renewable does not have any off-statement of financial position arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

Brookfield Renewable issues letters of credit from its corporate credit facilities for general corporate purposes which include, but are not limited to, security deposits, performance bonds and guarantees for reserve accounts. As at December 31, 2023, letters of credit issued amounted to \$2,126 million (2022: \$1,609 million).

PART 6 – SELECTED QUARTERLY INFORMATION

HISTORICAL OPERATIONAL AND FINANCIAL INFORMATION

YEAR ENDED DECEMBER 31 (MILLIONS, EXCEPT AS NOTED)	2023	2022	2021
Operational information:			
Capacity (MW).....	32,949	25,377	21,049
Total generation (GWh)			
Long-term average generation.....	75,584	63,656	58,913
Actual generation.....	69,704	63,036	56,629
Proportionate generation (GWh)			
Actual generation.....	29,467	28,669	27,150
Additional financial information:			
Net loss attributable to Unitholders.....	\$ (100)	\$ (295)	\$ (368)
Basic loss per LP unit ⁽¹⁾	(0.32)	(0.60)	(0.69)
Proportionate Adjusted EBITDA ⁽²⁾	2,182	2,002	1,876
Funds From Operations ⁽²⁾	1,095	1,005	934
Funds From Operations per Unit ⁽²⁾⁽³⁾	1.67	1.56	1.45
Distribution per LP unit.....	1.35	1.28	1.22
YEAR ENDED DECEMBER 31 (MILLIONS, EXCEPT AS NOTED)	2023	2022	2021
Property, plant and equipment, at fair value.....	\$ 64,005	\$ 54,283	\$ 49,432
Equity-accounted investments.....	2,546	1,392	1,107
Total assets.....	76,128	64,111	55,867
Total borrowings.....	29,702	24,850	21,529
Deferred income tax liabilities.....	7,174	6,507	6,215
Other liabilities.....	9,273	6,468	4,127
Participating non-controlling interests – in operating subsidiaries.....	18,863	14,755	12,303
General partnership interest in a holding subsidiary held by Brookfield.....	55	59	59
Participating non-controlling interests – in a holding subsidiary – Redeemable/ Exchangeable units held by Brookfield.....	2,684	2,892	2,894
BEPC exchangeable shares.....	2,479	2,561	2,562
Preferred equity.....	583	571	613
Perpetual subordinated notes.....	592	592	592
Preferred limited partners' equity.....	760	760	881
Limited partners' equity.....	3,963	4,096	4,092
Total liabilities and equity.....	76,128	64,111	55,867
Debt-to-total capitalization (market value) ⁽⁴⁾	40 %	39 %	33 %

⁽¹⁾ For the year ended December 31, 2023, average LP units totaled 282.4 million (2022: 275.2 million and 2021: 274.9 million)

⁽²⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure, See “Cautionary Statement Regarding Use of Non-IFRS Measures” and “PART 4 – Financial Performance Review on Proportionate Information – Reconciliation of Non-IFRS Measures”.

⁽³⁾ Average Units outstanding for the year ended December 31, 2023 totaled 657.1 million (2022: 645.9 million and 2021: 645.6 million) being inclusive of our LP units, Redeemable/Exchangeable partnership units, BEPC exchangeable shares and GP interest.

⁽⁴⁾ Based on market values of Preferred equity, Perpetual subordinated notes, Preferred limited partners' equity and Unitholders' equity.

SUMMARY OF HISTORICAL QUARTERLY RESULTS

The following is a summary of unaudited quarterly financial information for the last eight consecutive quarters:

(MILLIONS, EXCEPT AS NOTED)	2023				2022			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total Generation (GWh) – LTA	22,641	16,800	18,622	17,636	17,692	15,097	16,280	15,097
Total Generation (GWh) – actual	17,006	15,870	17,798	18,875	16,450	14,906	16,488	15,196
Proportionate Generation (GWh) – LTA	8,512	7,112	8,403	7,899	7,655	6,905	8,152	7,414
Proportionate Generation (GWh) – actual	7,151	6,533	7,543	8,243	6,826	6,440	7,978	7,425
Revenues	\$ 1,323	\$ 1,179	\$ 1,205	\$ 1,331	\$ 1,196	\$ 1,105	\$ 1,274	\$ 1,136
Net income (loss) attributable to Unitholders	35	(64)	(39)	(32)	(82)	(136)	1	(78)
Basic loss per LP unit	0.01	(0.14)	(0.10)	(0.09)	(0.16)	(0.25)	(0.03)	(0.16)
Funds From Operations	255	253	312	275	225	243	294	243
Funds From Operations per Unit	0.38	0.38	0.48	0.43	0.35	0.38	0.46	0.38
Distribution per LP unit	0.34	0.34	0.34	0.34	0.32	0.32	0.32	0.32

PROPORTIONATE RESULTS FOR THE THREE MONTHS ENDED DECEMBER 31

The following chart reflects the generation and summary financial figures on a proportionate basis for the three months ended December 31:

	(GWh)				(MILLIONS)					
	Actual Generation		LTA Generation		Revenues		Adjusted EBITDA ⁽¹⁾		Funds From Operations	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Hydroelectric										
North America	2,456	2,427	2,910	2,910	\$ 199	\$ 219	\$ 121	\$ 131	\$ 55	\$ 87
Brazil	892	960	1,036	1,020	59	55	40	40	34	38
Colombia	789	1,222	995	1,064	87	68	41	58	16	33
	4,137	4,609	4,941	4,994	345	342	202	229	105	158
Wind	1,978	1,531	2,529	1,929	138	143	131	124	103	97
Utility-scale solar	658	414	834	551	85	77	121	54	93	29
Distributed energy & storage⁽²⁾	272	209	189	181	51	70	42	48	26	35
Sustainable solutions	—	—	—	—	93	13	28	2	22	1
Corporate	—	—	—	—	—	—	6	4	(94)	(95)
Total	7,045	6,763	8,493	7,655	\$ 712	\$ 645	\$ 530	\$ 461	\$ 255	\$ 225

⁽¹⁾ Non-IFRS measures. For reconciliations to the most directly comparable IFRS measure see “Reconciliation of Non-IFRS Measures” in this Management’s Discussion and Analysis.

⁽²⁾ Actual generation includes 99 GWh (2022: 70 GWh) from facilities that do not have a corresponding long-term average. See PART 9 – Presentation to Stakeholders’ for why we do not consider long-term average for certain of our facilities.

For the three months ended December 31, 2023, Funds From Operations were \$255 million versus \$225 million in the prior year. Funds From Operations increased \$30 million primarily due to contributions from growth, strong asset availability, and favorable hydroelectric generation, particularly at our assets in the Brazil and Colombia.

RECONCILIATION OF NON-IFRS MEASURES

The following table reconciles the non-IFRS financial measures to the most directly comparable IFRS measures. Net income (loss) is reconciled to Adjusted EBITDA for the three months ended December 31, 2023:

(MILLIONS)	Attributable to Unitholders								
	Hydroelectric			Wind	Utility -scale solar	Distributed energy & storage	Sustainable solutions	Corporate	Total
	North America	Brazil	Colombia						
Net income (loss)	\$ 34	\$ 1	\$ 32	\$ 142	\$ 190	\$ (100)	\$ 44	\$ (79)	\$ 264
Add back or deduct the following:									
Depreciation	110	26	34	215	98	28	6	—	517
Deferred income tax expense (recovery)	(36)	5	(2)	(39)	(31)	(41)	—	(7)	(151)
Foreign exchange and financial instrument loss (gain)	(55)	(1)	1	(50)	38	35	(57)	19	(70)
Other ⁽¹⁾	10	3	5	(147)	(158)	90	(17)	(9)	(223)
Management service costs	—	—	—	—	—	—	—	50	50
Interest expense	77	11	97	85	96	27	19	49	461
Current income tax expense	—	2	16	7	6	—	—	8	39
Amount attributable to equity accounted investments and non-controlling interests ⁽²⁾	(19)	(7)	(142)	(82)	(118)	3	33	(25)	(357)
Adjusted EBITDA	121	40	41	131	121	42	28	6	530

⁽¹⁾ Other corresponds to certain non-recurring other income items as well as certain non-recurring amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 7 - Other Income in the Audited Consolidated Financial Statements. Also refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽²⁾ Amount attributable to equity accounted investments corresponds to the adjusted EBITDA to Brookfield Renewable that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Adjusted EBITDA attributable to non-controlling interest, our partnership is able to remove the portion of Adjusted EBITDA earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reconciles the non-IFRS financial measures to the most directly comparable IFRS measures. Net income (loss) is reconciled to Adjusted EBITDA for the three months ended December 31, 2022:

(MILLIONS)	Attributable to Unitholders								
	Hydroelectric			Wind	Utility-scale solar	Distributed energy & storage	Sustainable solutions	Corporate	Total
	North America	Brazil	Colombia						
Net income (loss)	\$ 38	\$ 27	\$ 96	\$ 31	\$ (90)	\$ 24	\$ 13	\$ (79)	\$ 60
Add back or deduct the following:									
Depreciation	105	23	24	135	88	27	5	1	408
Deferred income tax expense (recovery)	(37)	(18)	3	(6)	(26)	(6)	—	(24)	(114)
Foreign exchange and financial instrument loss (gain)	17	—	(34)	(14)	70	(31)	(8)	14	14
Other ⁽¹⁾	8	5	44	39	7	62	(2)	5	168
Management service costs	—	—	—	—	—	—	—	44	44
Interest expense	82	12	72	66	62	22	3	32	351
Current income tax expense (recovery)	1	—	30	8	2	—	1	—	42
Amount attributable to equity accounted investments and non-controlling interests ⁽²⁾	(83)	(9)	(177)	(135)	(59)	(50)	(10)	—	(523)
Adjusted EBITDA	\$ 131	\$ 40	\$ 58	\$ 124	\$ 54	\$ 48	\$ 2	\$ (7)	\$ 450

⁽¹⁾ Other corresponds to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽²⁾ Amount attributable to equity accounted investments corresponds to the adjusted EBITDA to Brookfield Renewable that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Adjusted EBITDA attributable to non-controlling interest, our partnership is able to remove the portion of Adjusted EBITDA earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reconciles the non-IFRS financial metrics to the most directly comparable IFRS measures. Net income is reconciled to Funds From Operations for the three months ended December 31:

(MILLIONS)	2023	2022
Net income	\$ 264	\$ 60
Add back or deduct the following:		
Depreciation	517	408
Deferred income (recovery)	(151)	(114)
Foreign exchange and financial instruments (gain) loss	(70)	14
Other ⁽¹⁾	(223)	179
Amount attributable to equity accounted investments and non-controlling interest ⁽²⁾	(82)	(322)
Funds from Operations	\$ 255	\$ 225

⁽¹⁾ Other corresponds to certain non-recurring other income items as well as certain non-recurring amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 7 - Other Income in the Audited Consolidated Financial Statements. Also refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽²⁾ Amount attributable to equity accounted investments corresponds to the Funds From Operations that are generated by its investments in associates and joint ventures accounted for using the equity method. Amounts attributable to non-controlling interest are calculated based on the economic ownership interest held by non-controlling interests in consolidated subsidiaries. By adjusting Funds From Operations attributable to non-controlling interest, our partnership is able to remove the portion of Funds From Operations earned at non-wholly owned subsidiaries that are not attributable to our partnership.

The following table reconciles the per Unit non-IFRS financial measures to the most directly comparable IFRS measures. Basic earnings per LP unit is reconciled to Funds From Operations per Unit, for the three months ended December 31:

	2023	2022
Basic loss per LP unit ⁽¹⁾	\$ 0.01	\$ (0.16)
Depreciation	0.41	0.34
Foreign exchange and financial instruments (gain) loss	(0.01)	0.08
Deferred income tax recovery	(0.12)	(0.12)
Other ⁽²⁾	0.09	0.21
Funds From Operations per Unit ⁽³⁾	\$ 0.38	\$ 0.35

⁽¹⁾ Average LP units outstanding for the three months ended December 31, 2023 were 287.6 million (2022: 275.3 million).

⁽²⁾ Other corresponds to certain non-recurring other income items as well as certain non-recurring amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Refer to Note 7 - Other Income in the Audited Consolidated Financial Statements. Also refer to Note 9 - Other in the Audited Consolidated Financial Statements for more details on the other balance, which includes the company's economic share of certain non-cash items, foreign currency hedges and realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term.

⁽³⁾ Average Units for the three months ended December 31, 2023 were 665.7 million (2022: 646.0 million), being inclusive of LP units, Redeemable/Exchangeable partnership units, BEPC exchangeable shares and GP interest.

PART 7 – BUSINESS RISKS AND RISK MANAGEMENT

RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Management’s objectives are to protect Brookfield Renewable against material economic exposures and variability of results from various financial risks that include electricity price risk, foreign currency risk, interest rate risk, credit risk, and liquidity risk. These risks are further discussed in Note 5 – Risk management and financial instruments in the audited annual consolidated financial statements.

The following table outlines Brookfield Renewable’s financial risks and how they are managed:

Financial Risk	Description of Risk	Management of Risk
Electricity price	We have exposure to movements in the market price of electricity.	<ul style="list-style-type: none"> - Enter into long-term contracts that specify the price at which electricity is sold - Maintain a portfolio of short, medium, and long-term financial contracts to mitigate our exposure to fluctuations in electricity prices - Ensure limits and controls are in place for trading activities - As of December 31, 2023, we had, on a proportionate basis, approximately 88% of 2024 generation (2022: 92% of 2023 generation) contracted under power purchase agreements and financial contracts, excluding Brazil and Colombia. In Brazil and Colombia, on a proportionate basis, we had approximately 93% and 70% of 2024 (2022: 90% and 67%, of 2023, respectively) generation under power purchase agreements, respectively. See “Part 4 – Financial Performance Review on Proportionate Information”
Foreign currency	We are exposed to foreign currency risk – including Canadian dollar, Brazilian real, Euro, British pound sterling, Colombian peso, Indian rupee, and Chinese yuan – related to operations, anticipated transactions, and certain foreign currency debt.	<ul style="list-style-type: none"> - Enter into foreign currency contracts designed to minimize the exposure to foreign currency fluctuations - 30% of cash flow is generated in the United States while Canadian Dollar and Euro exposure, representing 40% of our portfolio, is proactively managed through foreign currency contracts - Limited foreign currency contracts to hedge our exposure to currencies in South America and Asia – representing 30% of our portfolio – due to the high costs associated with hedging certain currencies. However, these specific exposures are mitigated by the annual inflation-linked escalations in our power purchase agreements

Financial Risk	Description of Risk	Management of Risk
Interest rate	We are exposed to interest rate risk on the interest rates of our variable-rate debt, and on dividend and distribution rate resets on our Class A Preference Shares and Preferred Units, respectively.	<ul style="list-style-type: none"> - Assets largely consist of long duration physical assets, and financial liabilities consist primarily of long-term fixed-rate debt or floating-rate debt that has been swapped to fixed rates with interest rate financial instruments to minimize the exposure to interest rate fluctuations - Enter into interest rate contracts to lock-in fixed rates on certain anticipated future debt issuances and on floating rate debts - Our proportionate floating rate exposure represents 8% of our total debt, after affecting for variable-rate debt that has been hedged through the use of interest rate swaps. Our floating rate exposure arises primarily from our South American operations, as we have limited opportunities to raise fixed-rate debt or hedge due to the high associated costs

Financial Risk	Description of Risk	Management of Risk
Credit	<p>We are exposed to credit risk from operating activities and certain financing activities, the maximum exposure of which is represented by the carrying amounts reported in the statements of financial position. We are exposed to credit risk if counterparties to our energy contracts, interest rate swaps, forward foreign exchange contracts and physical electricity and gas transactions as well as trade receivables are unable to meet their obligations.</p>	<ul style="list-style-type: none"> - Diverse counterparty base with long-standing credit histories - Exposure to counterparties with investment-grade credit ratings - Use of standard trading contracts and other standard credit risk mitigation techniques - As at December 31, 2023, 86% (2022: 89%) of Brookfield Renewable's trade receivables were current
Liquidity	<p>We are exposed to liquidity risk for financial liabilities.</p> <p>We are also subject to internal liquidity risk because we conduct our business activities through separate legal entities (subsidiaries and affiliates) and are dependent on receipts of cash from those entities to defray corporate expenses and to make dividend and distribution payments to shareholders and Unitholders, respectively. Under the credit agreements for subsidiary debt, it is conventional for distributions of cash to Brookfield Renewable to be prohibited if the loan is in default (notably for non-payment of principal or interest) or if the entity fails to achieve a benchmark debt-service coverage ratio. Refer to Note 18 – Capital management of the annual consolidated financial statement for further disclosures.</p>	<ul style="list-style-type: none"> - As at December 31, 2023, available liquidity was \$4.1 billion. Liquidity is comprised of our share of cash and cash equivalents, investments in marketable securities, the available portion of the corporate credit facilities, and our share of subsidiary credit facilities. Details of the available liquidity and debt maturity ladder are included in “Part 5 – Liquidity and Capital Resources” - Effective and regular monitoring of debt covenants and cooperation with lenders to cure any defaults - Target investment grade debt or debt with investment grade characteristics with the ability to absorb volatility in cash flows - Long-term duration of debt instruments and the diversification in maturity dates over an extended period of time - Sufficient cash from operating activities, access to undrawn credit facilities, and possible capital markets financing to fund our operations and fulfill our obligations as they become due - Ensure access to public capital markets and maintain a strong investment grade credit rating

RISK FACTORS

The following represents the most relevant risk factors relating to Brookfield Renewable's business, and is not all-inclusive. For a description of other possible risks please see the Form 20-F which can be accessed on EDGAR and SEDAR.

Risks Relating to Our Operations and Our Industry

Changes to resource availability, as a result of climate change or otherwise, at any of our renewable power facilities could adversely affect the amount of electricity that we are able to generate.

The revenues generated by our renewable power facilities are correlated to the amount of electricity produced, which is in turn dependent upon available water flows and upon wind, irradiance and weather conditions generally. Hydrology, wind, irradiance and weather conditions have natural variations from season to season and from year to year and may also change permanently because of climate change or other factors.

If one or more of our generation facilities were to be subject in the future to flooding, extreme weather conditions (including severe wind storms and droughts), fires, natural disasters, or if unexpected geological or other adverse physical conditions were to develop at any of our generation facilities, the generation capacity of that facility could be significantly reduced or eliminated. For example, our hydroelectric facilities depend on the availability of water flows within the watersheds in which we operate and could be materially impacted by changes to hydrology patterns, such as droughts. In the event of severe flooding, our hydrology facilities may be damaged. Wind energy and solar energy are highly dependent on weather conditions and, in particular, on wind conditions and irradiance, respectively. The profitability of a wind farm depends not only on observed wind conditions at the site, which are inherently variable, but also on whether observed wind conditions are consistent with assumptions made during the project development phase or when a given project was acquired. Similarly, projections of solar resources depend on assumptions about weather patterns, shading and irradiance, which are inherently variable and may not be consistent with actual conditions at the site. A sustained decline in water flow at our hydroelectric facilities, in wind conditions at our wind energy facilities or of irradiance at our solar facilities could lead to an adverse change in the volume of electricity generated, and to revenues and cash flow.

Climate change may increase the frequency and severity of severe weather conditions and may change existing weather patterns in ways that are difficult to anticipate, which could result in more frequent and severe disruptions to our generation facilities (including as a result of extreme flooding that may be above the normal design parameters of our hydroelectric facilities) and the power markets in which we operate. In addition, customers' energy needs generally vary with weather conditions, primarily temperature and humidity. To the extent weather conditions are affected by climate change, customers' energy use could increase or decrease depending on the duration and magnitude of changing weather conditions, which could adversely affect our business, results of operations and cash flows.

Supply and demand in energy markets are volatile and such volatility could have an adverse impact on electricity prices and an adverse effect on Brookfield Renewable's assets, liabilities, business, financial condition, results of operations and cash flow.

A portion of our revenues are tied, either directly or indirectly, to the wholesale market price for electricity in the energy markets in which we operate. Wholesale market electricity prices are impacted by a number of factors including: the management of generation and the amount of excess generating capacity relative to load in a particular market; the cost of controlling emissions of carbon dioxide and other pollutants; the structure of the electricity market; weather conditions (such as extremely hot or cold weather) that impact electrical load; the price of fuel (such as natural gas) that is used to generate electricity; and political instability (such as the conflict between Ukraine and Russia and the disruptive impact that related sanctions and other related events might have on European energy markets).

In the long term, there is uncertainty surrounding the trend in electricity demand growth, which is influenced by macroeconomic conditions, absolute and relative energy prices, energy conservation and demand-side management. Correspondingly, from a supply perspective, there are uncertainties associated with long term plans for the construction of baseload generation capacity, the timing of generating plant retirements (e.g., coal) and with the scale, pace and structure of replacement capacity, again reflecting a complex interaction of economic and political

pressures and environmental preferences. This volatility and uncertainty in power markets generally, including non-renewable power markets, could have an adverse effect on Brookfield Renewable's assets, liabilities, business, financial condition, results of operations and cash flow.

As our contracts expire, we may not be able to replace them with agreements on similar terms.

Certain long-term contracts in our portfolio will be subject to re-contracting in the future. For example, with respect to PPAs in our renewable power portfolio, if the price of electricity in power markets is declining at the time of such re-contracting, it may impact our ability to re-negotiate or replace these contracts on terms that are acceptable to us, or at all. In addition, a concentrated pool of potential buyers for electricity generated by our renewable energy facilities in certain jurisdictions may restrict our ability to negotiate favorable terms under new PPAs or existing PPAs that are subject to re-contracting. We cannot provide any assurance that we will be able to re-negotiate or replace these contracts once they expire, and even if we are able to do so, we cannot provide any assurance that we will be able to obtain the same prices or terms we currently receive. If we are unable to re-negotiate or replace these contracts, or unable to secure prices at least equal to the current prices we receive, our business, financial condition, results of operation and prospects could be adversely affected. Conversely, what may appear to be an attractive price at the time of recontracting could, if prices significantly rise over the contract's term, result in us having committed to sell power or other goods or services in the future at below then-market rates.

There is a risk that our concessions and licenses will not be renewed or that, where concessions are required to build out our development pipeline, they may not be granted or awarded.

We hold concessions and licenses and we have rights to operate our facilities (including, for example, in respect of our hydroelectric projects, rights to the land and water required for power generation), and which are subject to renewal at the end of their terms. We generally expect that our concessions and licenses will be renewed. However, if we are not granted renewal rights, or if our concessions and licenses are renewed subject to conditions which impose additional costs, or impose additional restrictions (including, for example, setting a price ceiling for energy sales), our profitability and operational activity could be adversely impacted. In addition, concessions may be required to advance projects in our development pipeline. There can be no assurance that we will be granted any concession that we require with respect to any given project or on what timelines or conditions.

The amount of uncontracted generation in our renewable power portfolio may increase and the contract profile for future renewable power projects may change.

In 2023 approximately 90% of our renewable power generation (on a proportionate basis) was contracted in each of those calendar years under long-term, fixed price contracts with creditworthy counterparties. The average life of our contracts is 13 years on a proportionate basis, reducing the impact of negative short term price fluctuations in the power market. The portion of our renewable power portfolio that is uncontracted may increase gradually over time. We may sell electricity from our uncontracted generation into the spot-market or other competitive power markets from time to time. With respect to such transactions, we are not guaranteed any rate of return on our capital investments through mandated rates, and revenues and results of operations are likely to depend, in large part, upon prevailing market prices. These market prices are driven by factors outside of our control and may fluctuate substantially over relatively short periods of time. Additionally, future renewable power projects may be contracted with different types of counterparties (including commercial and industrial users) and using different contract structures compared to our historical projects. Such increased uncontracted generation and changing contract profiles could have an adverse effect on our business, financial condition, results of operations and cash flows.

Our ability to deliver electricity to our various counterparties and buildout our renewable power development pipeline requires the availability of (and access to) interconnection facilities and transmission systems.

Our ability to sell electricity is impacted by the availability of, and access to, the various transmission systems to deliver power to a contractual delivery point and the arrangements and facilities necessary to connect renewable generation projects to the transmission systems. The absence of this availability and access, our inability to obtain reasonable terms and conditions for interconnection and transmission agreements, the operational failure or decommissioning of existing interconnection facilities or transmission facilities, the lack of adequate capacity on such interconnection or transmission facilities, curtailment as a result of transmission facility downtime, or the failure of any relevant jurisdiction to expand transmission facilities, may have an adverse effect on our ability to

deliver electricity to our various counterparties or the requirement of counterparties to accept and pay for energy delivery. Insufficient access to transmission and interconnection systems may also constrain our ability to develop new utility-scale projects, which require transmission systems to have available interconnection points and the overall capacity necessary to transmit the energy expected to be generated by a development project once it achieves commercial operation. Lack of access to transmission systems could accordingly adversely affect our assets, liabilities, business, financial condition, results of operations and cash flow.

The occurrence of dam failures could result in a loss of generating capacity and damage to the environment, third parties or the public, which could require us to expend significant amounts of capital and other resources and expose us to significant liability.

The occurrence of dam failures at any of our hydroelectric generating stations or the occurrence of dam failures at other generating stations or dams operated by third parties whether upstream or downstream of our hydroelectric generating stations could result in a loss of generating capacity until the failure has been repaired. If the failure is at one of our facilities, repairing such failure could require us to expend significant amounts of capital and other resources. As noted above, severe failures could also result in harm to third parties or the environment, either of which could expose us to significant liability. A dam failure at a generating station or dam operated by a third party that is upstream of one of our facilities could result in a loss of revenue due to short term disruption to expected water flows. Even if the failure is not at an upstream facility, it could result in new and potentially onerous regulations that could impact Brookfield Renewable's facilities. Any such new regulations could require material capital expenditures to maintain compliance and our financial position could be adversely affected.

Energy marketing risks may have an adverse effect on our business.

Our energy marketing business involves the establishment of positions in the wholesale and retail energy markets. To the extent that we enter into forward purchase contracts or take long positions in the energy markets, a downturn in market prices could result in losses from a decline in the value of such long positions. Conversely, to the extent that we enter into forward sales contracts or take short positions in the energy markets, an upturn in market prices could expose us to losses as we attempt to cover any short positions by acquiring energy in a rising market.

Our energy marketing strategies also depend on counterparties fulfilling their obligations to us and on the quality of the collateral that they post. Our positions can be impacted by volatility in the energy markets that, in turn, depend on various factors, including weather in various geographical areas and short-term supply and demand imbalances, which cannot be predicted with any certainty. A shift in the energy markets could adversely affect our positions which could also have an adverse effect on our business.

Although we employ a number of risk management controls in order to limit exposure to risks arising from trading activities, we cannot guarantee that losses will not occur and such losses may be outside the parameters of our risk controls.

There are general industry risks associated with the power markets in which we operate.

We currently operate in power markets in North America, South America, Europe and Asia, each of which is affected by competition, price, supply of and demand for power, the location of import/export transmission lines and overall political, economic and social conditions and policies. Our renewable power operations are also largely concentrated in a relatively small number of countries, and accordingly are exposed to country-specific risks (such as weather conditions, local economic conditions or political/regulatory environments) that could disproportionately affect us. A general and extended decline in the North American, South American, European or Asian economies, or in the economies of the specific countries in which we operate, or sustained conservation efforts to reduce electricity consumption, could have the effect of reducing demand for electricity and could thereby have an adverse effect on our business, financial condition, results of operations and cash flows.

Our operations are exposed to health, safety, security and environmental risks.

The ownership, construction and operation of our assets carry an inherent risk of liability related to health, safety, security and the environment, including the risk of government imposed orders to remedy unsafe conditions and/or to remediate or otherwise address environmental contamination or damage. We could also be exposed to potential penalties for contravention of health, safety, security and environmental laws and potential civil liability. In

the ordinary course of business we incur capital and operating expenditures to comply with health, safety, security and environmental laws, to obtain and comply with licenses, permits and other approvals and to assess and manage related risks. The cost of compliance with these laws (and any future laws or amendments enacted) may increase over time and result in additional material expenditures. We may become subject to government orders, investigations, inquiries or other proceedings (including civil claims) relating to health, safety, security and environmental matters as a result of which our operations may be limited or suspended. The occurrence of any of these events or any changes, additions to or more rigorous enforcement of health, safety, security and environmental laws could have an adverse impact on operations and result in additional material expenditures. Additional environmental, health and safety issues relating to presently known or unknown matters may require unanticipated expenditures, or result in fines, penalties or other consequences (including changes to operations) that may be adverse to our business and results of operations.

Counterparties to our contracts may not fulfill their obligations.

In the course of our business, we enter into a wide range of contracts including but not limited to PPAs, engineering, procurement and construction contracts, long term service agreements, supply agreements, contracts to purchase equipment and joint venture agreements. If our counterparties do not perform as expected under these contracts, it may have an adverse impact on our business and results of operations. For example, if purchasers of power under our PPAs are unable or unwilling to fulfill their contractual obligations under the relevant PPA or if they refuse to accept delivery of power pursuant to the relevant PPA, our assets, liabilities, business, financial condition, results of operations and cash flow could be adversely affected as we may not be able to replace the agreement with an agreement on equivalent terms and conditions. Similarly, external events, such as a severe economic downturn, could impair the ability of some counterparties to the PPAs or some customers to pay for electricity received.

We rely on computerized business systems, which could expose us to cyber-attacks.

Our business relies on information technology. In addition, our business relies upon telecommunication services to remotely monitor and control our assets and interface with regulatory agencies, wholesale power markets and customers. The information and embedded systems of key business partners, third-party service providers (including suppliers of the information technology systems on which we rely), and regulatory agencies are also important to our operations. In light of this, our computer systems may face ongoing cybersecurity threats and attacks, which could result in the failure of such systems, and we may be subject to cyber-terrorism or other cybersecurity risks or other breaches of information technology system security intended to obtain unauthorized access to our proprietary information, personally identifiable information or to client or third-party data stored on our systems, destroy or disable our data and/or that of our business partners, disclose confidential data in breach of data privacy legislation, destroy data or disable, degrade, or sabotage these systems through the introduction of computer viruses, cyber-attacks and other means. Such attacks could originate from a wide variety of sources including internal or unknown third parties.

The sophistication of the threats continue to evolve and grow, including the risk associated with the use of emerging technologies, such as artificial intelligence and quantum computing, for nefarious purposes. We cannot predict what effects such cyber-attacks or compromises or shut-downs may have on our business and on the privacy of the individuals or entities affected, and the consequences could be material. A significant actual or potential theft, loss, corruption, exposure, fraudulent, unauthorized or accidental use or misuse of investor, employee or other personally identifiable or proprietary business data, whether by third parties or as a result of employee malfeasance or otherwise, non-compliance with our contractual or other legal obligations regarding such data or intellectual property or a violation of our privacy and security policies with respect to such data could result in significant remediation and other costs, fines, litigation and regulatory actions against us by governments, various regulatory organizations or exchanges, or affected individuals, in addition to significant reputational harm and/or financial loss, and it may not be possible to recover losses suffered from such incidents under our insurance policies.

A breach of our cybersecurity measures, or those of third-party service providers, or the failure or malfunction of any of our computerized business systems, associated backup or data storage systems could cause us to suffer a disruption in one or more parts of our business and experience, among other things, financial loss, reputational damage, a loss of business opportunities, the unplanned shutdown of our operating facilities, misappropriation or unauthorized release of confidential or personal information, damage to our technology systems and those with

whom we do business, violation of privacy and other laws, litigation, regulatory penalties and remediation and restoration costs as well as increased costs to maintain our systems. Cybersecurity breaches or failures of our information technology systems could have an adverse effect on our business operations, financial reporting, financial condition and results of operations, and result in reputational damage. Although we are continuing to enhance defenses to such attacks, we can provide no assurance that our efforts or those of third-party service providers will be successful in preventing or ameliorating damage from such an attack on us and, as the manner in which cyber-attacks are undertaken has become more sophisticated, there is a risk that the occurrence of cyber-attack may remain undetected for an extended period.

We are reliant on third-party service providers for certain aspects of our business, including for certain information systems and technology platforms, legal services, technology, administration, tax, accounting and compliance matters. A disaster, disruption or compromise in technology or infrastructure that supports our businesses, including a disruption involving electronic communications or other services used by us, our vendors or third parties with whom we conduct business, may have an adverse impact on our ability to continue to operate our businesses without interruption which could have a material adverse effect on us. In addition to the fact that these third-party service providers could also face ongoing cybersecurity threats and compromises of their systems, we generally have less control over the delivery of such third-party services, and as a result, we may face disruptions to our ability to operate a business as a result of interruptions of such services. A prolonged global failure of cloud services provided by a variety of cloud services providers that we engage could result in cascading systems failures for us.

Data protection and privacy rules have become a focus for regulators globally. For instance, the European General Data Protection Regulation (“**GDPR**”) sets out data protection rules for individuals that are residents of the E.U. GDPR imposes stringent rules and penalties for non-compliance, as does similar legislation in certain U.S. states and Canadian provinces in which we operate and in Brazil, which could have an adverse effect on our business.

Risks Relating to Financing

Our ability to finance our operations and fund growth initiatives is subject to various risks relating to the state of capital markets and to our ability to complete all or some of our capital recycling initiatives.

We expect to finance future acquisitions, the development and construction of new facilities and other capital expenditures out of cash generated from our operations, capital recycling, debt and possible future issuances of equity. Disruptions and volatility in capital markets, including those caused by rising interest rates, which continued to increase in 2023, could increase the Partnership’s cost of capital and adversely affect its ability to fund its liquidity and capital needs and fund the growth of the business.

There is debt throughout our corporate structure that will need to be replaced from time to time. For example, BEP, BRELP and LATAM Holdco, NA Holdco, Euro Holdco and Investco and any other direct wholly-owned subsidiary of BRELP created or acquired after the date of the Amended and Restated Limited Partnership Agreement of BREL (collectively, “Holding Entities”) have corporate debt, certain of our subsidiaries of the Holding Entities (“Operating Entities”) have limited recourse project level debt and certain of our portfolio companies, like Isagen, have holding company level debt. Our ability to obtain debt or equity financing to fund our growth, and our ability to refinance existing corporate and non-recourse indebtedness on favourable terms, if at all, is dependent on, among other factors, the level of future interest rates, the overall state of capital markets (as well as local market conditions, particularly in the case of non-recourse financings), continued operating performance of our assets, future electricity market prices, lenders’ and investors’ assessment of our credit risk and investor appetite for investments in renewable energy and infrastructure assets in general and in Brookfield Renewable’s securities in particular. Also, certain Brookfield Renewable financing agreements contain conditions that limit our ability to repay indebtedness prior to maturity without incurring penalties, which may limit our ability to refinance indebtedness or raise new capital on favorable terms. To the extent that external sources of capital become limited or unavailable or available on onerous terms (including requirements for Brookfield Renewable to provide credit support such as letters of credit or parent guarantees), our ability to fund acquisitions and make necessary capital investments to construct new or maintain existing facilities may be impaired, and as a result, our business, financial condition, results of operations and prospects may be adversely affected.

We seek to recycle capital to fund acquisitions and the development and construction of new projects by selling certain assets or an interest in certain assets, including our portfolio companies. However, we may not be able to complete all or some of our capital recycling initiatives on our desired timelines, at favorable prices or at all. For example, adverse market conditions or other factors beyond our control might mean that we are unable to complete an asset sale at a price that is aligned with our business plan resulting in a decision to transact at a lower price or to abandon the sales process altogether. Increases in interest rates could also make it more difficult to locate and consummate investments because other potential buyers, including operating companies acting as strategic buyers, may be able to bid for an asset at a higher price due to a lower overall cost of capital or their ability to benefit from a higher amount of cost savings following the acquisition of the asset. If our capital recycling initiatives do not proceed as planned this could reduce the liquidity available to fund future growth, which could in turn limit our ability to grow our distributions in line with our stated goals and the market value of our Units could decline.

We are subject to operating and financial restrictions through covenants in our loan, debt and security agreements.

Brookfield Renewable and its subsidiaries are subject to operating and financial restrictions through covenants in our loan, debt and security agreements. These restrictions prohibit or limit our ability to, among other things, incur additional debt, provide guarantees for indebtedness, grant liens, dispose of assets, liquidate, dissolve, amalgamate, consolidate or effect corporate or capital reorganizations, declare distributions, issue equity interests and create subsidiaries. A financial covenant in our corporate bonds and in our corporate bank credit facilities limits our overall indebtedness to a percentage of total capitalization, a restriction which may limit our ability to obtain additional financing, withstand downturns in our business and take advantage of business and development opportunities. If we breach our covenants, our credit facilities may be terminated or come due and such event may cause our credit rating to deteriorate and subject Brookfield Renewable to higher interest and financing costs. From time to time, we also acquire businesses and assets that have debt obligations that are in default. We may also be required to seek additional debt financing on terms that include more restrictive covenants and/or higher interest rates, change of control restrictions, require repayment on an accelerated schedule or impose other obligations that limit our ability to grow our business, acquire needed assets, exit investments in assets or portfolio companies, or take other actions that we might otherwise consider appropriate or desirable.

Changes in our credit ratings may have an adverse effect on our financial position and ability to raise capital.

We cannot assure you that any credit rating assigned to Brookfield Renewable or any of its portfolio companies, operating subsidiaries or other subsidiaries or their debt securities will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency. A lowering or withdrawal of such ratings may have an adverse effect on our financial position and ability to raise capital.

Risks Relating to Our Growth Strategy

We may be unable to identify sufficient investment opportunities and complete transactions, as planned.

Our strategy for building value for our Unitholders is to seek to acquire or develop high-quality assets and businesses that generate sustainable and increasing cash flows, with the objective of achieving appropriate risk-adjusted returns on our invested capital over the long-term. However, there is no certainty that we will be able to find sufficient investment opportunities and complete transactions that meet our investment criteria. Our investment criteria consider, among other things, the financial, operating, governance and strategic merits of a proposed acquisition including whether we expect it will meet our targeted return hurdle and, as such, there is no certainty that we will be able to continue growing our business by making acquisitions or developing assets at attractive returns. Competition for assets is significant and competition from other well-capitalized investors or companies may significantly increase the purchase price or prevent us from completing an acquisition. We may also decline opportunities that we do not believe meet our investment criteria, which our competition may pursue instead.

Our growth initiatives may be subject to a number of closing conditions, including, as applicable, third-party consents, regulatory approvals (including from competition authorities) and other third-party approvals or actions that are beyond our control. In particular, many jurisdictions in which we seek to invest impose government consent requirements on investments by foreign persons. Consents and approvals may not be obtained, may be obtained subject to conditions which adversely affect anticipated returns, and/or may be delayed and delay or ultimately preclude the completion of acquisitions, dispositions and other transactions. Government policies and attitudes in

relation to foreign investment may change, making it more difficult to complete acquisitions, dispositions and other transactions in such jurisdictions. Furthermore, interested stakeholders could take legal steps to prevent transactions from being completed. We may also be unable to secure financing on acceptable terms (or at all) for our proposed acquisitions.

If all or some of our acquisitions and other transactions are unable to be completed on the terms agreed, we may need to modify or delay or, in some cases, abandon these transactions altogether (which may result in the payment of significant break-up fees). If we are unable to achieve the expected benefits of transactions, the market value of our Units may decline.

Political instability, changes in government policy, or unfamiliar cultural factors could adversely impact the value of our investments.

We are subject to the risk of geopolitical uncertainties in certain jurisdictions in which we operate. We make investments in businesses globally and we can pursue investments in new, non-core markets, which may expose us to additional risks. We may not properly adjust to the local culture and business practices in such markets, and there is the prospect that we may hire personnel or partner with local persons who might not comply with our culture and ethical business practices; either scenario could result in the failure of our initiatives in new markets and lead to financial losses for us and our managed entities. There are risks of political instability in several of the jurisdictions in which we conduct business, including, for example, from factors such as political conflict, tariffs and other protectionist trade policies, including the encouragement of the onshoring of manufacturing in the U.S. and other countries, income inequality, refugee migration, terrorism, the potential break-up of countries or political-economic unions, and political corruption. For example, the conflicts in Eastern Europe and the Middle East and the global response to each, including the imposition of economic and other sanctions, has significantly impacted the global economy and financial markets, resulted in volatility in fuel prices, amplified existing supply chain challenges caused by increases in shipping costs (including as a result of conflicts and other attacks in or near shipping channels) and heightened cybersecurity disruptions and threats.

While recent energy market volatility in Europe has not directly adversely impacted Brookfield Renewable's business (principally because our power generation facilities in Europe rely on renewable inputs like wind and sunshine rather than inputs with volatile prices like gas and coal) the rising cost of power has generally increased the costs of conducting business in Europe and caused economic hardship and uncertainty and political tensions in the countries in which we operate. Further economic and political instability and the escalation or expansion of armed conflict in Eastern Europe, the Middle East, or elsewhere in the world, could result in local, regional and/or global instability that could adversely impact our business, including through the disruption of free movement of goods, services and people, or a destabilization of energy markets. The materialization of one or more of these risks could negatively affect our financial performance.

Our operations in the future may be different from our current business, including through future sustainable solutions investments.

Our operations today primarily include hydroelectric, wind, utility solar and distributed generation power generation as well as biomass power generation, cogeneration, storage and nuclear services businesses in North and South America, Europe and Asia. Our development pipeline includes renewable power generation projects as well as CCS, RNG and recycling projects. We may acquire interests in other businesses, and we may seek to divest of certain of our existing operations in the future. In addition, pursuant to the Relationship Agreement with Brookfield, Brookfield may (but is not required to) offer us the opportunity to acquire: (i) an integrated utility even if a significant component of such utility's operations consist of a non-renewable power generation operation or development, such as a power generation operation that uses coal or natural gas, (ii) a portfolio of power operations, even if a significant component of such portfolio's operations consist of non-renewable power generation, or (iii) renewable power generation operations or developments that comprise part of a broader enterprise.

The completion of new acquisitions can have the effect of significantly increasing the scale and scope of our operations, including operations in new geographic areas and industry sectors, and the Service Provider may have difficulty managing these additional operations. In addition, acquisitions involve risks to our business.

A key part of our strategy will involve seeking acquisition opportunities upon Brookfield's recommendation and allocation of opportunities to us. Acquisitions may increase the scale, scope and diversity of our operating

businesses. We depend on the diligence and skill of Brookfield's and our professionals to effectively manage Brookfield Renewable, integrating acquired businesses with our existing operations. These individuals may have difficulty managing additional acquired businesses and may have other responsibilities within Brookfield's asset management business. If any such acquired businesses are not effectively integrated and managed, our existing business, financial condition and results of operations may be adversely affected.

Future acquisitions will likely involve some or all of the following risks, which could materially and adversely affect our business, financial condition or results of operations: the difficulty of integrating the acquired operations and personnel into our current operations; potential disruption of our current operations; diversion of resources, including Brookfield's time and attention; the difficulty of managing the growth of a larger organization; the risk of entering markets in which we have little experience; the risk of becoming involved in labor, commercial or regulatory disputes or litigation related to the new enterprise; risk of environmental or other liabilities associated with the acquired business; and the risk of a change of control resulting from an acquisition triggering rights of third parties or government agencies under contracts with, or authorizations held by the operating business being acquired. While it is our practice to conduct extensive due diligence investigations into businesses being acquired, it is possible that due diligence may fail to uncover all material risks in the business being acquired, or to identify a change of control trigger in a material contract or authorization, or that a contractual counterparty or government agency may take a different view on the interpretation of such a provision to that taken by Brookfield Renewable, thereby resulting in a dispute. The discovery of any material liabilities subsequent to an acquisition, as well as the failure of an acquisition to perform according to expectations, could have an adverse effect on our business, financial condition and results of operations. In addition, if returns are lower than anticipated from new acquisitions, we may not be able to achieve growth in our distributions in line with our stated goals and the market value of our securities may decline.

Not all of the projects in our development pipeline will achieve commercial operation.

We have a large development pipeline that includes projects at different levels of advancement, from early stage projects which may not yet have the permits, licenses or other government approvals that are required, to later stage projects that we believe have a path to construction readiness, to under-construction projects that are in the process of being built. Our development pipeline also includes projects that we don't own 100% of or, in certain circumstances, control. While the likelihood of a project being built increases when it receives, for example, required permits, licenses or other government approvals, when it signs construction and equipment supply agreements, and when it signs an offtake agreement, there can be no assurance that any one or a specific percentage of the projects in our development pipeline will be built or on what timeline.

With respect to our renewable power assets, our ability to realize our development growth plans is dependent on our ability to develop existing sites, to repower existing projects that are nearing the end of their useful lives, and to find new sites suitable for development into viable projects. Our ability to maintain a development permit often requires specific development steps to be undertaken. Successful development of renewable power projects is typically dependent on a number of factors, including: the ability to secure or renew our rights to an attractive site on reasonable terms, often following lengthy negotiations and/or competitive bidding processes; accurately measuring resource availability at levels deemed economically attractive for continued project development; the ability to secure new or renewed approvals, licenses and permits; the acceptance of local stakeholders, including in some cases, Indigenous peoples; the ability to secure transmission interconnection access or agreements; the ability to successfully integrate new projects or technologies into existing assets; the ability to acquire suitable labor, equipment and construction services on acceptable terms; the ability to attract construction project financing, including from tax equity investors and through tax and other government incentives such as those provided in the U.S. through the Inflation Reduction Act; and the ability to secure a long-term PPA or other sales contract on reasonable terms. Each of these factors can be critical in determining whether or not a particular development project might ultimately be suitable for construction and some of these factors are outside of our control. Failure to achieve any one of these elements may prevent the development and construction of a renewable power project, or otherwise cause such project to become obligated to make delay or termination payments or become obligated for other damages under contracts, experience the loss of tax credits or tax incentives, or experience diminished returns. When this occurs we may lose all of our investment in development expenditures and may ultimately be required to write-off project development assets and costs, which could adversely impact our ability to achieve our development growth plans, deliver energy and generate revenues.

Our ability to develop projects is subject to construction risks and risks associated with the arrangements we enter into with communities and joint venture partners.

Our ability to develop an economically successful project is dependent on, among other things, our ability to construct a particular project on-time and on-budget. For example, the construction and development of a renewable power generating facility, whether as a greenfield project or by way of a repowering of an existing project, is subject to environmental, engineering and construction risks that could result in cost-overruns, delays and reduced performance. A number of factors that could cause delays, cost over-runs or reduced performance include, but are not limited to, changes in local laws or difficulties in obtaining permits, rights of way or approvals, changing engineering and design requirements, construction costs exceeding estimates for various reasons, including inaccurate engineering and planning, failures to properly estimate the cost of raw materials, components, equipment, labor or the inability to timely obtain them, unanticipated problems with project start-up, the performance of contractors, the insolvency of the head contractor, a major subcontractor and/or a key equipment supplier, labor disruptions, inclement weather, defects in design, engineering or construction (including, without limitation, latent defects that do not materialize during an applicable warranty or limitation period) and project modifications. A delay in the projected completion of a project can result in a material increase in total project construction costs through higher capitalized interest charges, additional labor and other expenses and a resultant delay in the commencement of cash flow. In addition, such unexpected issues may result in increased debt service costs, operations and maintenance expenses and damage payments for late delivery or the failure to meet agreed upon generation levels. This may result in an inability of the project to meet the higher interest and principal repayments arising from the additional debt required. Protracted delays could also result in a given project being in default of other terms of any applicable construction financing arrangements.

Development projects may also require large areas of land on which the new projects are to be constructed and operated. Rights to use land can be obtained through freehold title, leases and other rights of use. Land title systems vary by jurisdiction and in some cases it may not be possible to ascertain definitively who has the legal right to enter into land tenure arrangements with the asset owner or to secure the consent of all land owners. A government, court, regulator, Indigenous group, landowner or other stakeholder may make a decision or take action that adversely affects the development of a project or the demand for its services. For example, a regulator may restrict our access to an asset, or may require us to provide third parties with access. The restriction or curtailment of our rights with respect to an asset by a regulator or otherwise may negatively impact the success of our projects.

We may enter into various types of arrangements with communities and joint venture partners, including in some cases, Indigenous peoples, for the development of projects. In some circumstances, we may be required to notify, consult, or obtain the consent of certain stakeholders, such as Indigenous peoples, landowners and/or municipalities. In some jurisdictions, it may be possible to claim Indigenous rights to land and the existence or declaration of Indigenous title may affect the existing or future activities of our projects and impact their business, financial condition and results of operations. In Canada, for example, courts have recognized that Indigenous peoples possess constitutionally protected rights in respect of land used or occupied by their ancestors where treaties have not been concluded to deal with these rights. Certain of these communities and partners may have or may develop interests or objectives which are different from or even in conflict with our objectives. Any such differences could have a negative impact on the success of our projects.

Risks Relating to Our Relationship with Brookfield

Brookfield exercises substantial influence over Brookfield Renewable and we are highly dependent on the Service Provider.

A subsidiary of Brookfield Corporation is the sole shareholder of the Managing General Partner. As a result of its ownership of the Managing General Partner, Brookfield is able to control the appointment and removal of the Managing General Partner's directors and, accordingly, exercise substantial influence over Brookfield Renewable. In addition, BEP holds its interest in the Operating Entities indirectly through BRELP and will hold any future acquisitions indirectly through BRELP, the general partner of which is indirectly owned by Brookfield Corporation. As BEP's only substantial assets are the limited partnership interests and preferred limited partnership interests that it holds in BRELP, except for rights under the Voting Agreement, BEP does not have a right to participate directly in the management or activities of BRELP or the Holding Entities, including with respect to the making of decisions (although it has the right to remove and replace the BRELP GP LP).

BEP and BRELP depend on the management and administration services provided by or under the direction of the Service Provider under our Master Services Agreement. Brookfield personnel and support staff that provide services to us under our Master Services Agreement are not required to have as their primary responsibility the management and administration of BEP or BRELP or to act exclusively for either of us and our Master Services Agreement does not require any specific individuals to be provided by Brookfield to BEP. Failing to effectively manage our current operations or to implement our strategy could have an adverse effect on our business, financial condition and results of operations. Our Master Services Agreement continues in perpetuity, until terminated in accordance with its terms.

The departure of some or all of Brookfield's professionals could prevent us from achieving our objectives.

We depend on the diligence, skill and business contacts of Brookfield's professionals and the information and opportunities they generate during the normal course of their activities. Our future success will depend on the continued service of these individuals, who are not obligated to remain employed with Brookfield. Brookfield has experienced departures of key professionals in the past and may do so in the future, and we cannot predict the impact that any such departures will have on our ability to achieve our objectives. The departure of a significant number of Brookfield's professionals for any reason, or the failure to appoint qualified or effective successors in the event of such departures, could have an adverse effect on our ability to achieve our objectives. The Amended and Restated Limited Partnership Agreement of BEP and our Master Services Agreement do not require Brookfield to maintain the employment of any of its professionals or to cause any particular professionals to provide services to us or on our behalf.

PART 8 – CRITICAL ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The consolidated financial statements are prepared in accordance with IFRS, which require the use of estimates and judgments in reporting assets, liabilities, revenues, expenses and contingencies. In the judgment of management, none of the estimates outlined in Note 1 – Basis of preparation and material accounting policy information in our audited consolidated financial statements are considered critical accounting estimates as defined in Canadian National Instrument 51-102 – Continuous Disclosure Obligations with the exception of the estimates related to the valuation of property, plant and equipment, financial instruments, deferred income tax liabilities, decommissioning liabilities and impairment of goodwill. These assumptions include estimates of future electricity prices, discount rates, expected long-term average generation, inflation rates, terminal year, the amount and timing of operating and capital costs and the income tax rates of future income tax provisions. Estimates also include determination of accruals, provisions, purchase price allocations, useful lives, asset valuations, asset impairment testing and those relevant to the defined benefit pension and non-pension benefit plans. Estimates are based on historical experience, current trends and various other assumptions that are believed to be reasonable under the circumstances.

In making estimates, management relies on external information and observable conditions where possible, supplemented by internal analysis, as required. These estimates have been applied in a manner consistent with that in the prior year and there are no known trends, commitments, events or uncertainties that we believe will materially affect the methodology or assumptions utilized in this report. These estimates are impacted by, among other things, future power prices, movements in interest rates, foreign exchange volatility and other factors, some of which are highly uncertain, as described in the “Risk Factors” section. The interrelated nature of these factors prevents us from quantifying the overall impact of these movements on Brookfield Renewable’s financial statements in a meaningful way. These sources of estimation uncertainty relate in varying degrees to substantially all asset and liability account balances. Actual results could differ from those estimates.

CRITICAL ESTIMATES

Brookfield Renewable makes estimates and assumptions that affect the carrying value of assets and liabilities, disclosure of contingent assets and liabilities and the reported amount of income and other comprehensive income (“OCI”) for the year. Actual results could differ from these estimates. The estimates and assumptions that are critical to the determination of the amounts reported in the consolidated financial statements relate to the following:

(i) Property, plant and equipment

The fair value of Brookfield Renewable’s property, plant and equipment is calculated using estimates and assumptions about future electricity prices for renewable sources, anticipated long-term average generation, estimated operating and capital expenditures, future inflation rates and discount rates, as described in Note 12 – Property, plant and equipment, at fair value in our audited annual consolidated financial statements. Judgment is involved in determining the appropriate estimates and assumptions in the valuation of Brookfield Renewable’s property, plant and equipment. See Note 1(s)(iii) – Critical judgments in applying accounting policies – Property, plant and equipment in our audited annual consolidated financial statements for further details.

Estimates of useful lives and residual values are used in determining depreciation. To ensure the accuracy of useful lives and residual values, these estimates are reviewed on an annual basis.

(ii) Financial instruments

Brookfield Renewable makes estimates and assumptions that affect the carrying value of its financial instruments, including estimates and assumptions about future electricity prices, long-term average generation, capacity prices, discount rates, the timing of energy delivery and the elements affecting fair value of the tax equity financings. Non-financial instruments are valued using estimates of future electricity prices which are estimated by considering broker quotes for the years in which there is a liquid market and for the subsequent years Brookfield Renewable’s best estimate of electricity prices that would allow new entrants into the market. The fair value of interest rate swaps is the estimated amount that another party would receive or pay to terminate the swap agreements at the reporting date, taking into account current market interest rates. This valuation technique approximates the net present value of future cash flows.

For power purchase agreements accounted for under IFRS 9 (“IFRS 9 PPAs”) that have unobservable values, Brookfield Renewable determines the fair value of these IFRS 9 PPAs using a discounted cash flow model based on the term of the contract and applies judgements surrounding the inputs used within the valuation model. The valuation model incorporates various inputs and assumptions including future power prices, contractual prices, contractual volumes and discount rates. Future power prices are based on broker quotes from independent sources and for IFRS 9 PPAs with no available broker quotes, future fuel driven merchant prices are incorporated within the model. Contractual prices are stipulated within each individual agreement, contractual volumes are either specified within the agreement or determined using future generation of the power generating assets and discount rate used in the valuation model is the credit adjusted risk free rate. See Note 5 – Risk management and financial instruments in our audited annual consolidated financial statements for more details.

(iii) Deferred income taxes

The consolidated financial statements include estimates and assumptions for determining the future tax rates applicable to subsidiaries and identifying the temporary differences that relate to each subsidiary. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply during the year when the assets are realized or the liabilities settled, using the tax rates and laws enacted or substantively enacted at the consolidated statements of financial position dates. Operating plans and forecasts are used to estimate when the temporary difference will reverse.

(iv) Decommissioning liabilities

Decommissioning costs will be incurred at the end of the operating life of some of the company’s assets. These obligations are typically many years in the future and require judgment to estimate. The estimate of decommissioning costs can vary in response to many factors including changes in relevant legal, regulatory, and environmental requirements, the emergence of new restoration techniques or experience at other power generating facilities. Inherent in the calculations of these costs are assumptions and estimates including the ultimate settlement amounts, inflation factors, discount rates, and timing of settlements.

(v) Impairment of goodwill

The impairment assessment of goodwill requires estimation of the value-in-use or fair value less costs of disposal of the CGUs or groups of CGUs to which goodwill has been allocated.

Brookfield Renewable uses the following critical assumptions and estimates for the value-in-use method: the circumstances that gave rise to the goodwill, timing and amount of future cash flows expected from the CGUs; discount rates; terminal capitalization rates; terminal valuation dates and future leverage assumptions.

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The following are the critical judgments that have been made in applying the accounting policies used in the consolidated financial statements and that have the most significant effect on the amounts in the consolidated financial statements:

(i) Preparation of consolidated financial statements

These consolidated financial statements present the financial position, results of operations and cash flows of Brookfield Renewable. Judgment is required in determining what assets, liabilities and transactions are recognized in the consolidated financial statements as pertaining to Brookfield Renewable’s operations.

(ii) Common control transactions

Common control business combinations specifically fall outside the scope of IFRS 3, Business Combinations (“IFRS 3”), and as such management has used its judgment to determine an appropriate policy to account for these transactions. Consideration was given to other relevant accounting guidance within the framework of principles in IFRS and to reflect the economic reality of the transactions, in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”). As a result, the consolidated financial statements account for assets and liabilities acquired at the previous carrying value on the predecessor’s financial statements. Differences between the consideration given and the assets and liabilities received are recorded directly to equity.

(iii) Property, Plant and Equipment

The accounting policy relating to Brookfield Renewable's property, plant and equipment is described in Note 1(g) – Property, plant and equipment and revaluation method in our audited annual consolidated financial statements. In applying this policy, judgment is used in determining whether certain costs are additions to the carrying amount of the property, plant and equipment as opposed to repairs and maintenance that are expensed when incurred. If an asset has been developed, judgment is required to identify the point at which the asset is capable of being used as intended and to identify the directly attributable costs to be included in the carrying value of the development asset. The useful lives of property, plant and equipment are determined by independent engineers periodically with an annual review by management.

Annually, Brookfield Renewable determines the fair value of its property, plant and equipment using a methodology that it has judged to be reasonable. The methodology for hydroelectric assets is generally a twenty-year discounted cash flow model. Twenty years is the period considered reasonable as Brookfield Renewable has twenty-year capital plans and it believes a reasonable third party would be indifferent between extending the cash flows further in the model versus using a discounted terminal value. The methodology for wind, solar and storage & other assets is to align the model length with the expected remaining useful life of the subject assets.

The valuation model incorporates future cash flows from long-term power purchase agreements that are in place where it is determined that the power purchase agreements are linked specifically to the related power generating assets. With respect to estimated future generation that does not incorporate long-term power purchase agreement pricing, the cash flow model uses estimates of future electricity prices using broker quotes from independent sources for the years in which there is a liquid market. The valuation of generation not linked to long-term power purchase agreements also requires the development of a long-term estimate of future electricity prices. In this regard the valuation model uses a discount to the all-in cost of construction with a reasonable return, to secure energy from a new renewable resource with a similar generation profile to the asset being valued as the benchmark that will establish the market price for electricity for renewable resources.

Brookfield Renewable's long-term view is anchored to the cost of securing new energy from renewable sources to meet future demand growth by the years 2027 to 2035 in North America, 2030 in Colombia, and 2027 in Brazil. The year of new entry is viewed as the point when generators must build additional capacity to maintain system reliability and provide an adequate level of reserve generation with the retirement of older coal-fired plants and rising environmental compliance costs in North America and Europe, and overall increasing demand in Colombia and Brazil. For the North American and European businesses, Brookfield Renewable has estimated a discount to these new-build renewable asset prices to determine renewable electricity prices for hydroelectric, solar and wind facilities. In Brazil and Colombia, the estimate of future electricity prices is based on a similar approach as applied in North America using a forecast of the all-in cost of development.

Terminal values are included in the valuation of hydroelectric assets in North America and Colombia. For the hydroelectric assets in Brazil, cash flows have been included based on the duration of the authorization or useful life of a concession asset with consideration of a one-time thirty-year renewal on qualifying hydroelectric assets.

Discount rates are determined each year by considering the current interest rates, average market cost of capital as well as the price risk and the geographical location of the operational facilities as judged by management. Inflation rates are also determined by considering the current inflation rates and the expectations of future rates by economists. Operating costs are based on long-term budgets escalated for inflation. Each operational facility has a twenty-year capital plan that it follows to ensure the maximum life of its assets is achieved. Foreign exchange rates are forecasted by using the spot rates and the available forward rates, extrapolated beyond the period available. The inputs described above to the discounted cash flow model require management to consider facts, trends and plans in making its judgments as to what derives a reasonable fair value of its property, plant and equipment.

(iv) Financial instruments

The accounting policy relating to Brookfield Renewable's financial instruments is described in Note 1(l) – Financial instruments in our audited annual consolidated financial statements. In applying the policy, judgments are made in applying the criteria set out in IFRS 9 – Financial instruments (“IFRS 9”) to record financial instruments at fair value through profit and loss, and the assessments of the effectiveness of hedging relationships.

For commodity derivatives that have unobservable value, Brookfield Renewable applies judgements surrounding the inputs used within the valuation model. The valuation model incorporates various inputs and

assumptions including forward power prices, contractual prices, contractual volumes and discount rates. Forward power prices are based on broker quotes from independent sources, contractual prices are stipulated within each individual agreement, contractual volumes are either specified within the agreement or determined using future generation of the power generating assets and discount rates are determined by considering the current interest rates, average market cost of capital as well as the price risk and geographical location of the power generating assets as judged by management.

(v) Deferred income taxes

The accounting policy relating to Brookfield Renewable's income taxes is described in Note 1(n) – Income taxes in our audited annual consolidated financial statements. In applying this policy, judgments are made in determining the probability of whether deductions, tax credits and tax losses can be utilized.

NEW ACCOUNTING STANDARDS

International Tax Reform - Amendments to IAS 12- Pillar Two model rules

In May 2023, the IASB issued amendments to IAS 12 “Income Taxes” to give entities temporary mandatory relief from accounting for deferred taxes arising from the Organization for Economic Co-operation and Developments (“OECD”) international tax reform. The amendments are effective immediately upon their issue and retrospectively in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors,” except for some targeted disclosure requirements which become effective for annual reporting periods on or after January 1, 2023. Brookfield Renewable operates in countries which have enacted new legislation to implement the global minimum top-up tax. Brookfield Renewable has applied the temporary mandatory relief from recognizing and disclosing information related to the top-up tax and will account for it as a current tax when it is incurred. The newly enacted legislation is effective from January 1, 2024 and there is no current tax impact for the year ended December 31, 2023. The global minimum top-up tax is not anticipated to have a significant impact on the financial position of Brookfield Renewable.

FUTURE CHANGES IN ACCOUNTING POLICIES

Amendments to IAS 1 – Presentation of Financial Statements (“IAS 1”)

The amendments clarify how to classify debt and other liabilities as current or non-current. The amendments to IAS 1 apply to annual reporting periods beginning on or after January 1, 2024. Brookfield Renewable is currently assessing the impact of these amendments.

There are currently no other future changes to IFRS with potential impact on Brookfield Renewable.

SUBSEQUENT EVENTS

Subsequent to year-end, Brookfield Renewable issued C\$400 million of Series 17 medium-term notes. The medium-term notes have a fixed interest rate of 5.32% and a maturity date of January 10, 2054. The Series 17 medium-term notes are corporate-level green bonds.

Subsequent to year-end, Brookfield Renewable, together with its institutional partners, completed the acquisition of a series of development distributed generation projects in the United States totaling 93 MW for total consideration of approximately \$86 million (approximately \$17 million net to Brookfield Renewable). Brookfield Renewable holds a 20% interest in these investments.

Subsequent to year-end, Brookfield Renewable, together with its institutional partners, completed the acquisition of a series of development distributed generation projects in the United States totaling 60 MW for total consideration of approximately \$39 million (approximately \$11 million net to Brookfield Renewable). Brookfield Renewable holds a 25% interest in these investments.

Subsequent to year-end, Brookfield Renewable repurchased 496,254 LP units on the Toronto Stock Exchange at a total cost of \$12 million.

PART 9 – PRESENTATION TO STAKEHOLDERS AND PERFORMANCE MEASUREMENT

PRESENTATION TO PUBLIC STAKEHOLDERS

Equity

Brookfield Renewable’s consolidated equity interests include (i) non-voting publicly traded LP units, held by public unitholders and Brookfield, (ii) BEPC exchangeable shares, held by public shareholders and Brookfield, (iii) Redeemable/Exchangeable Limited partnership units in BRELP, a holding subsidiary of Brookfield Renewable, held by Brookfield, and (iv) the GP interest in BRELP, held by Brookfield.

The LP units, the BEPC exchangeable shares and the Redeemable/Exchangeable partnership units have the same economic attributes in all respects, except that the BEPC exchangeable shares provide the holder, and the Redeemable/Exchangeable partnership units provide Brookfield, the right to request that all or a portion of such shares or units be redeemed for cash consideration. Brookfield Renewable, however, has the right, at its sole discretion, to satisfy any such redemption request with LP units, rather than cash, on a one-for-one basis. The public holders of BEPC exchangeable shares, and Brookfield, as holder of BEPC exchangeable shares and Redeemable/Exchangeable partnership units, participates in earnings and distributions on a per unit basis equivalent to the per unit participation of the LP units. Because Brookfield Renewable, at its sole discretion, has the right to settle any redemption request in respect of BEPC exchangeable shares and Redeemable/Exchangeable partnership units with LP units, the BEPC exchangeable shares and Redeemable/Exchangeable partnership units are classified under equity, and not as a liability.

Given the exchange feature referenced above, we are presenting LP units, BEPC exchangeable shares, Redeemable/Exchangeable partnership units, and GP Interest as separate components of consolidated equity. This presentation does not impact the total income (loss), per unit or share information, or total consolidated equity.

Actual and Long-term Average Generation

For assets acquired, disposed or reached commercial operation during the year, reported generation is calculated from the acquisition, disposition or commercial operation date and is not annualized. Generation on a same store basis refers to the generation of assets that were owned during both periods presented. As it relates to Colombia only, generation includes both hydroelectric and cogeneration facilities. Distributed energy & storage includes generation from our distributed generation and pumped storage assets. Sustainable solutions includes North America cogeneration, Brazil biomass, and power transformation assets.

North America hydroelectric long-term average is the expected average level of generation based on the results of a simulation based on historical inflow data performed over a period of typically 30 years. Colombia hydroelectric long-term average is the expected average level of generation based on the results of a simulation based on historical inflow data performed over a period of typically 20 years. For substantially all of our hydroelectric assets in Brazil the long-term average is based on the reference amount of electricity allocated to our facilities under the market framework which levelizes generation risk across producers. Wind long-term average is the expected average level of generation based on the results of simulated historical wind speed data performed over a period of typically 10 years. Utility-scale solar long-term average is the expected average level of generation based on the results of a simulation using historical irradiance levels in the locations of our projects from the last 14 to 20 years combined with actual generation data during the operational period.

We compare actual generation levels against the long-term average to highlight the impact of an important factor that affects the variability of our business results. In the short-term, we recognize that hydrology, wind and irradiance conditions will vary from one period to the next; over time however, we expect our facilities will continue to produce in line with their long-term averages, which have proven to be reliable indicators of performance.

Our risk of a generation shortfall in Brazil continues to be minimized by participation in the Energy Reallocation Mechanism (“MRE”) administered by the government of Brazil. This program mitigates hydrology risk by assuring that all participants receive, at any particular point in time, an assured energy amount, irrespective of the actual volume of energy generated. The program reallocates energy, transferring surplus energy from those who

generated an excess to those who generate less than their assured energy, up to the total generation within the pool. Periodically, low precipitation across the entire country's system could result in a temporary reduction of generation available for sale. During these periods, we expect that a higher proportion of thermal generation would be needed to balance supply and demand in the country, potentially leading to higher overall spot market prices.

Generation from our pumped storage and cogeneration facilities in North America is highly dependent on market price conditions rather than the generating capacity of the facilities. Our pumped storage facility in Europe generates on a dispatchable basis when required by our contracts for ancillary services. Generation from our biomass facilities in Brazil is dependent on the amount of sugar cane harvested in a given year. For these reasons, we do not consider a long-term average for these facilities.

Voting Agreements with Affiliates

Brookfield Renewable has entered into voting agreements with Brookfield, whereby Brookfield Renewable gained control or have significant influence over the entities that own certain renewable power and sustainable solution investments. Brookfield Renewable has also entered into a voting agreement with its consortium partners in respect of the Colombian business. The voting agreements provide Brookfield Renewable the authority to direct the election of the Boards of Directors of the relevant entities, among other things, and therefore provide Brookfield Renewable with control. Accordingly, Brookfield Renewable consolidates the accounts of these entities.

For entities previously controlled by Brookfield Corporation, the voting agreements entered into do not represent business combinations in accordance with IFRS 3, as all combining businesses are ultimately controlled by Brookfield Corporation both before and after the transactions were completed. Brookfield Renewable accounts for these transactions involving entities under common control in a manner similar to a pooling of interest, which requires the presentation of pre-voting agreement financial information as if the transactions had always been in place. Refer to Note 1(s)(ii) – Critical judgments in applying accounting policies – Common control transactions in our December 31, 2023 audited consolidated financial statements for our policy on accounting for transactions under common control.

PERFORMANCE MEASUREMENT

Segment Information

Our operations are segmented by – 1) hydroelectric, 2) wind, 3) utility-scale solar, 4) distributed energy and storage (distributed generation and pumped storage), 5) sustainable solutions (renewable natural gas, carbon capture and storage, recycling, cogeneration biomass, nuclear services, and power transformation), and 6) corporate - with hydroelectric further segmented by geography (i.e., North America, Colombia, and Brazil). This best reflects the way in which the CODM reviews results of our company.

The reporting to the CODM was revised during the year to disaggregate the distributed energy & sustainable solutions business into distributed energy & storage and sustainable solutions. This change is consistent with the development of Brookfield Renewable's business as distributed generation and sustainable solutions continue to grow as a more significant component of the business. The financial information of operating segments in the prior period has been restated to present the corresponding results of the distributed energy & storage and sustainable solutions.

We report our results in accordance with these segments and present prior period segmented information in a consistent manner. See Note 6 – Segmented information in our audited annual consolidated financial statements.

One of our primary business objectives is to generate stable and growing cash flows while minimizing risk for the benefit of all stakeholders. We monitor our performance in this regard through three key metrics — i) Net Income (Loss), ii) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”), and iii) Funds From Operations.

It is important to highlight that Adjusted EBITDA and Funds From Operations do not have any standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other companies and have limitations as analytical tools. We provide additional information below on how we determine Adjusted EBITDA and Funds From Operations. We also provide reconciliations to Net income (loss). See “Part 4 –

Financial Performance Review on Proportionate Information – Reconciliation of Non-IFRS Measures” and “Part 6 – Selected Annual and Quarterly Information – Reconciliation of Non-IFRS measures”.

Proportionate Information

Reporting to the CODM on the measures utilized to assess performance and allocate resources has been provided on a proportionate basis. Information on a proportionate basis reflects Brookfield Renewable’s share from facilities which it accounts for using consolidation and the equity method whereby Brookfield Renewable either controls or exercises significant influence or joint control over the investment, respectively. Proportionate information provides a Unitholder perspective that the CODM considers important when performing internal analyses and making strategic and operating decisions. The CODM also believes that providing proportionate information helps investors understand the impacts of decisions made by management and financial results that can be allocated to Unitholders.

Proportionate financial information is not, and is not intended to be, presented in accordance with IFRS. Tables reconciling IFRS data with data presented on a proportionate basis have been disclosed. Segment revenues, other income, direct operating costs, interest expense, depreciation, current and deferred income taxes, and other are items that will differ from results presented in accordance with IFRS as these items (1) include Brookfield Renewable’s proportionate share of earnings (loss) from equity-accounted investments attributable to each of the above-noted items, and (2) exclude the proportionate share of earnings (loss) of consolidated investments not held by us apportioned to each of the above-noted items.

The presentation of proportionate results has limitations as an analytical tool, including the following:

- The amounts shown on the individual line items were derived by applying our overall economic ownership interest percentage and do not necessarily represent our legal claim to the assets and liabilities, or the revenues and expenses; and
- Other companies may calculate proportionate results differently than we do.

Because of these limitations, our proportionate financial information should not be considered in isolation or as a substitute for our financial statements as reported under IFRS.

Brookfield Renewable does not control those entities that have not been consolidated and as such, have been presented as equity-accounted investments in its financial statements. The presentation of the assets and liabilities and revenues and expenses do not represent Brookfield Renewable’s legal claim to such items, and the removal of financial statement amounts that are attributable to non-controlling interests does not extinguish Brookfield Renewable’s legal claims or exposures to such items.

Unless the context indicates or requires otherwise, information with respect to the megawatts (“MW”) attributable to Brookfield Renewable’s facilities, including development assets, is presented on a consolidated basis, including with respect to facilities whereby Brookfield Renewable either controls or jointly controls the applicable facility.

Net Income (Loss)

Net income (loss) is calculated in accordance with IFRS.

Net income (loss) is an important measure of profitability, in particular because it has a standardized meaning under IFRS. The presentation of net income (loss) on an IFRS basis for our business will often lead to the recognition of a loss even though the underlying cash flows generated by the assets are supported by strong margins and stable, long-term power purchase agreements. The primary reason for this is that accounting rules require us to recognize a significantly higher level of depreciation for our assets than we are required to reinvest in the business as sustaining capital expenditures.

Adjusted EBITDA

Adjusted EBITDA is a non-IFRS measure used by investors to analyze the operating performance of companies.

Brookfield Renewable uses Adjusted EBITDA to assess the performance of Brookfield Renewable before the effects of interest expense, income taxes, depreciation, management service costs, non-controlling interests, unrealized gain or loss on financial instruments, non-cash income or loss from equity-accounted investments, distributions to preferred shareholders, preferred limited partnership unit holders, perpetual subordinated noteholders and other typical non-recurring items. Brookfield Renewable adjusts for these factors as they may be non-cash, unusual in nature and/or are not factors used by management for evaluating operating performance. Brookfield Renewable includes realized disposition gains and losses on assets that we developed and/or did not intend to hold over the long-term within Adjusted EBITDA in order to provide additional insight regarding the performance of investments on a cumulative realized basis, including any unrealized fair value adjustments that were recorded in equity and not otherwise reflected in current period Adjusted EBITDA.

Brookfield Renewable believes that presentation of this measure will enhance an investor's ability to evaluate its financial and operating performance on an allocable basis.

Funds From Operations

Funds From Operations is a non-IFRS measure used by investors to analyze net earnings from operations without the effects of certain volatile items that generally have no current financial impact or items not directly related to the performance of Brookfield Renewable.

Brookfield Renewable uses Funds From Operations to assess the performance of Brookfield Renewable before the effects of certain cash items (e.g., acquisition costs and other typical non-recurring cash items) and certain non-cash items (e.g., deferred income taxes, depreciation, non-cash portion of non-controlling interests, unrealized gain or loss on financial instruments, non-cash gain or loss from equity-accounted investments, and other non-cash items) as these are not reflective of the performance of the underlying business. In the consolidated financial statements of Brookfield Renewable, the revaluation approach is used in accordance with IAS 16, Property, Plant and Equipment, whereby depreciation is determined based on a revalued amount, thereby reducing comparability with peers who do not report under IFRS as issued by the IASB or who do not employ the revaluation approach to measuring property, plant and equipment. Management adds back deferred income taxes on the basis that they do not believe this item reflects the present value of the actual tax obligations that they expect Brookfield Renewable to incur over the long-term investment horizon of Brookfield Renewable.

Brookfield Renewable believes that analysis and presentation of Funds From Operations on this basis will enhance an investor's understanding of the performance of Brookfield Renewable. Funds From Operations is not a substitute measure of performance for earnings per share and does not represent amounts available for distribution.

Funds From Operations is not a generally accepted accounting measure under IFRS and therefore may differ from definitions of Funds From Operations used by other entities, as well as the definition of funds from operations used by the Real Property Association of Canada ("REALPAC") and the National Association of Real Estate Investment Trusts, Inc. ("NAREIT"). Furthermore, this measure is not used by the CODM to assess Brookfield Renewable's liquidity.

Proportionate Debt

Proportionate debt is presented based on the proportionate share of borrowings obligations relating to the investments of Brookfield Renewable in various portfolio businesses. The proportionate financial information is not, and is not intended to be, presented in accordance with IFRS. Proportionate debt measures are provided because management believes it assists investors and analysts in estimating the overall performance and understanding the leverage pertaining specifically to Brookfield Renewable's share of its invested capital in a given investment. When used in conjunction with Proportionate Adjusted EBITDA, proportionate debt is expected to provide useful information as to how Brookfield Renewable has financed its businesses at the asset-level. Management believes that the proportionate presentation, when read in conjunction with Brookfield Renewable's reported results under IFRS, including consolidated debt, provides a more meaningful assessment of how the operations of Brookfield Renewable are performing and capital is being managed.

The presentation of proportionate results has limitations as an analytical tool, including the following:

- Proportionate debt amounts do not represent the consolidated obligation for debt underlying a consolidated investment. If an individual project does not generate sufficient cash flows to service the entire amount of its debt payments, management may determine, in their discretion, to pay the shortfall through an equity injection to avoid defaulting on the obligation. Such a shortfall may not be apparent from or may not equal the difference between aggregate Proportionate Adjusted EBITDA for all of the portfolio investments of Brookfield Renewable and aggregate proportionate debt for all of the portfolio investments of Brookfield Renewable; and
- Other companies may calculate proportionate debt differently.

Because of these limitations, the proportionate financial information of Brookfield Renewable should not be considered in isolation or as a substitute for the financial statements of Brookfield Renewable as reported under IFRS.

PART 10 – CAUTIONARY STATEMENTS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements and information, within the meaning of Canadian 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, concerning the business and operations of Brookfield Renewable. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Forward-looking statements in this report include, but are not limited to, statements regarding the quality of Brookfield Renewable’s assets and the resiliency of the cash flow they will generate, our anticipated financial performance, future commissioning of assets, contracted portfolio, technology diversification, acquisition opportunities, expected completion of acquisitions and dispositions, 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, our future growth prospects and distribution profile, our access to capital and future dividends and distributions made to holders of LP units and BEPC’s exchangeable shares. In some cases, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “scheduled”, “estimates”, “intends”, “anticipates”, “believes”, “potentially”, “tends”, “continue”, “attempts”, “likely”, “primarily”, “approximately”, “endeavors”, “pursues”, “strives”, “seeks”, “targets”, “believes”, or variations of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. These forward-looking statements and information are not historical facts but reflect our current expectations regarding future results or events and are based on information currently available to us and on assumptions we believe are reasonable. Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information in this report are based upon reasonable assumptions and expectations, we cannot assure you that such expectations will prove to have been correct. You should not place undue reliance on forward-looking statements and information as such statements and information involve assumptions, known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and result of operations and our plans and strategies may vary materially from those expressed in the forward-looking statements and forward-looking information herein.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to, the following: general economic conditions and risks relating to the economy, including unfavorable changes in interest rates, foreign exchange rates, inflation and volatility in the financial markets; changes to resource availability, as a result of climate change or otherwise, at any of our renewable power facilities; supply, demand, volatility and marketing in the energy markets; our inability to re-negotiate or replace expiring contracts (including PPAs, power guarantee agreements or similar long-term agreements, between a seller and a buyer of electrical power generation) on similar terms; an increase in the amount of uncontracted generation in our renewable power portfolio or a change in the contract profile for future renewable power projects; availability and access to interconnection facilities and transmission systems; our ability to comply with, secure, replace or renew concessions, licenses, permits and other governmental approvals needed for our operating and development projects; our real property rights for our facilities being adversely affected by the rights of lienholders and leaseholders that are superior to those granted to us; increases in the cost of operating our existing facilities and of developing new projects; equipment failures and procurement challenges; increased regulation of and third party opposition to our nuclear services business’s customers and operations; failure of the nuclear power industry to expand ;insufficient indemnification for our nuclear services business; our reliance on computerized business systems, which could expose us to cyber-attacks; dam failures and the costs and potential liabilities associated with such failures; uninsurable losses and higher insurance premiums; changes in regulatory, political, economic and social conditions in the jurisdictions in which we operate; force majeure events; health, safety, security and environmental risks; energy marketing risks and our ability to manage commodity and financial risk; the termination of, or a change to, the MRE balancing pool in Brazil; involvement in litigation and other disputes, and governmental and regulatory investigations; counterparties to our contracts not fulfilling their obligations; the time and expense of enforcing contracts against non-performing counterparties and the uncertainty of success; foreign laws or regulation to which we become subject as a result of future acquisitions in new markets; our operations being affected by local communities; newly developed technologies or new business lines in which we invest not performing as anticipated; advances in technology that impair or eliminate the competitive advantage of our projects; increases in water rental costs (or similar fees) or changes to the regulation of water supply; labor disruptions and economically unfavorable collective bargaining agreements; our inability to finance our operations and fund growth due to the status of the capital markets or our ability to complete capital recycling initiatives; operating and financial restrictions imposed on us by our loan, debt and security agreements; changes to our credit ratings; the incurrence of debt at multiple levels within our organizational structure; restrictions on our ability to engage in certain activities or make distributions due to our indebtedness; adverse changes in currency exchange rates and our inability to effectively manage foreign currency exposure through our hedging strategy or otherwise; our inability to identify sufficient investment opportunities and complete transactions; political instability or changes in government policy negatively impacting our business or assets; changes to our current business, including through future sustainable solutions investments; the growth of our portfolio and our inability to realize the expected benefits of our transactions or acquisitions; our inability to develop the projects in our development pipeline; delays, cost overruns and other problems associated with the construction and operation of our facilities and risks associated with the arrangements we enter into with communities and joint venture partners; we do not have control over all of our operations or investments, including certain investments made through joint ventures, partnerships, consortiums or structured arrangements; some of our acquisitions may be of distressed companies, which may subject us to increased risks; a decline in the value of our investments in securities, including publicly traded securities of other companies; the separation of economic interest from control within our organizational structure; the separation of economic interest from control within our organizational structure; our dependence on Brookfield and Brookfield’s significant influence over us; Brookfield’s election not to source acquisition opportunities for us and our lack of access to all renewable power acquisitions that Brookfield identifies, including by reason of conflicts of interest; the departure of some or all of Brookfield’s key professionals; Brookfield acting in a way that is not in our best interests or the best interests of our shareholders or our unitholders; our inability to terminate the Master Services Agreement and the limited liability of the Service

Provider under our arrangements with them; Brookfield's relationship with Oaktree; changes in how Brookfield elects to hold its ownership interests in Brookfield Renewable; changes in the amount of cash we can distribute to our unitholders; future sales or issuances of our securities will result in dilution of existing holders and even the perception of such sales or issuances taking place could depress the trading price of the BEP units or BEPC exchangeable shares; any changes in the market price of the BEP units and BEPC exchangeable shares; the inability of our unitholders to take part in the management of BEP; limits on unitholders' ability to obtain favourable judicial forum for disputes related to BEP or to enforce judgements against us; our reliance on subsidiaries to provide funds to pay distributions; changes in tax law and practice; changes to government policies and incentives relating to the renewable power and sustainable solutions industries; adverse impacts of inflationary pressures; changes in regulatory, political, economic and social conditions in the jurisdictions in which we operate; health, safety, security and environmental risks; force majeure events; foreign currency risk associated with BEP's distributions; fraud, bribery, corruption, other illegal acts or inadequate or failed internal processes or systems and restrictions on foreign direct investment; increased regulation of our operations; we are not subject to the same disclosure requirements as a U.S. domestic issuer; changes in our credit ratings; new regulatory initiatives related to sustainability and ESG; human rights impacts of our business activities; being deemed an "investment company" under the Investment Company Act; the effectiveness of our internal controls over financial reporting; and other factors described in our most recent Annual Report on Form 20-F, including those set forth under Item 3.D "Risk Factors".

We caution that 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 report and should not be relied upon as representing our views as of any date subsequent to the date of this report. 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. For further information on these known and unknown risks, please see "Risk Factors" included in our most recent Annual Report on Form 20-F and other risks and factors that are described therein.

CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS MEASURES

This report contains references to Adjusted EBITDA, Funds From Operations and Funds From Operations per Unit which are not generally accepted accounting measures standardized under IFRS and therefore may differ from definitions of Adjusted EBITDA, Funds From Operations and Funds From Operations per Unit used by other entities. In particular, our definition of Funds From Operations may differ from the definition of funds from operations used by other organizations, as well as the definition of funds from operations used by the Real Property Association of Canada and the National Association of Real Estate Investment Trusts, Inc. ("NAREIT"), in part because the NAREIT definition is based on U.S. GAAP, as opposed to IFRS. We believe that Adjusted EBITDA, Funds From Operations and Funds From Operations per Unit are useful supplemental measures that may assist investors in assessing our financial performance. None of Adjusted EBITDA, Funds From Operations or Funds From Operations 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. These non-IFRS measures reflect how we manage our business and, in our opinion, enable the reader to better understand our business.

Reconciliations of each of Adjusted EBITDA, Funds From Operations and Funds From Operations per Unit to net income (loss) are presented in our Management's Discussion and Analysis. We have also provided a reconciliation of Adjusted EBITDA and Funds From Operations to net income in Note 6 – Segmented information in the audited annual consolidated financial statements.

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