Presentation Team

Avik Dey
President & Chief Executive Officer

Sandra Haskins
SVP, Finance & Chief Financial Officer
Non-GAAP financial measures and ratios

The Company uses (i) earnings before net finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange gains or losses, finance expense and depreciation expense from its joint venture interests, gains or losses on disposals and unrealized changes in fair value of commodity derivatives and emission credits (adjusted EBITDA), and (ii) adjusted funds from operations (AFFO) as financial performance measures.

The Company also uses AFFO per share as a performance measure. This measure is a non-GAAP ratio determined by applying AFFO to the weighted average number of common shares used in the calculation of basic and diluted earnings per share.

These terms are not defined financial measures according to GAAP and do not have standardized meanings prescribed by GAAP and, therefore, are unlikely to be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to net income, net income attributable to shareholders of the Company, net cash flows from operating activities or other measures of financial performance calculated in accordance with GAAP. Rather, these measures are provided to complement GAAP measures in the analysis of our results of operations from management’s perspective.

Reconciliations of these non-GAAP financial measures are disclosed in the Company’s Management’s Discussion and Analysis (MD&A) prepared as of October 31, 2023 for the third quarter of 2023, which is available under the Company’s profile on SEDAR at SEDAR.com and on the Company’s website at capitalpower.com.

Forward-looking information

Cautionary statement

Certain information in this presentation and responses to questions contain forward-looking information. Actual results could differ materially from conclusions, forecasts or projections in the forward-looking information as a result of certain material factors or assumptions that were applied in drawing conclusions or making forecasts or projections as reflected in the forward-looking information.

Additional information about the material factors and risks that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information are disclosed on slide 17 of this presentation and the Company’s third quarter 2023 Management’s Discussion and Analysis (MD&A) prepared as of October 31, 2023 which is available under the Company’s profile on SEDAR at sedar.com and on the Company’s website at capitalpower.com.

The Company uses (i) earnings before net finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange gains or losses, finance expense and depreciation expense from its joint venture interests, gains or losses on disposals and unrealized changes in fair value of commodity derivatives and emission credits (adjusted EBITDA), and (ii) adjusted funds from operations (AFFO) as financial performance measures.

The Company also uses AFFO per share as a performance measure. This measure is a non-GAAP ratio determined by applying AFFO to the weighted average number of common shares used in the calculation of basic and diluted earnings per share.

These terms are not defined financial measures according to GAAP and do not have standardized meanings prescribed by GAAP and, therefore, are unlikely to be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to net income, net income attributable to shareholders of the Company, net cash flows from operating activities or other measures of financial performance calculated in accordance with GAAP. Rather, these measures are provided to complement GAAP measures in the analysis of our results of operations from management’s perspective.

Reconciliations of these non-GAAP financial measures are disclosed in the Company’s Management’s Discussion and Analysis (MD&A) prepared as of October 31, 2023 for the third quarter of 2023, which is available under the Company’s profile on SEDAR at SEDAR.com and on the Company’s website at capitalpower.com.
Territorial Acknowledgement

In the spirit of reconciliation, Capital Power respectfully acknowledges that we operate within the ancestral homelands, traditional and treaty territories of the Indigenous Peoples of Turtle Island, or North America.

Capital Power’s head office is located within the traditional and contemporary home of many Indigenous Peoples of the Treaty 6 Territory and Métis Nation of Alberta Region 4. We acknowledge the diverse Indigenous communities that are located in these areas and whose presence continues to enrich the community.

Learn more about Indigenous Relations at Capital Power.
Agenda

- Delivering on our net zero strategy
- Executive Team updates
- Investing in strategic growth
- Financial results
- Guidance updates
- Investor day
- Q&A
Delivering on our net zero strategy

A balanced approach to energy transition

Decarbonization

- Genesee Repowering project to reduce annual CO₂ emissions by 3.4 million tonnes from 2019 levels
- Genesee CCS project near shovel-ready and technically viable; commercial discussions ongoing

Grid-critical baseload generation

- Agreement to acquire Frederickson 1 Generating Station delivers 265 MW of reliable baseload generation to Puget Sound region

Renewable generation and storage

- Continued progress on:
  - Halkirk 2 Wind | 140 MW
  - Maple Leaf Solar | 73 MW
  - Ontario BESS projects | 170 MW

- Genesee Repowering project to add 512 MW of net capacity for Alberta
- Agreement to acquire Frederickson 1 Generating Station delivers 265 MW of reliable baseload generation to Puget Sound region
Executing on our growth pipeline drives value
Over 1.2 GW of capacity secured in 2023

- Pipeline includes another 4.2 GW of near-term growth opportunities in western Canada, Ontario, North Carolina and MISO markets
- First Solar order for 1 GW of responsibly produced, ultra-low carbon solar modules will ensure our U.S. projects meet domestic content rules under the Inflation Reduction Act (IRA)
Strategic diversification in Pacific Northwest

Frederickson 1 Generating Station

Quick Facts

- Owned/Operated: 50.15% / 100%
- MW: 265
- Location: Pierce County, Washington
- Facility COD: 2002

• Fully contracted with credit-worthy counterparties to October 2030
• High-quality, reliable baseload generation asset in the Puget Sound Region diversifies our geographic footprint
• Well-positioned for re-contracting with legacy coal retirements on the horizon
• Prime location allows for future developments such as a battery installation or hybrid opportunity
• Projected average contracted EBITDA of US$15 million (CAD$21 million) per year during the 5-year period of 2024-2029
• Expected to deliver accretive near-term cash flows
Strategically diversifying our North American footprint

Frederickson 1 an ideal energy market fit

- **Strong Fundamentals**
  - Positive economic outlook with growing population and energy demand resulting in opportunities for development, contracting and re-contracting assets

- **Transparent and Stable Market Design**
  - Reasonable certainty on future policies and regulatory environment creating favourable climate for development projects and decarbonization solutions

- **Commitment to Decarbonization**
  - Markets with opportunities for flexible capacity to support reliability and long-term deployment of clean energy technologies from:
    - Increasing demand outlook from electrification,
    - Prioritization of renewable development, and
    - Expected thermal retirements

*Genesee 1, 2, 3 shown as one facility
Q3/23 results reflect strong fleetwide performance

96% facility availability

- Revenue and other income before market-to-market benefitted from optimization activities of our Alberta Commercial portfolio
- Benefits of a diversified fleet demonstrated by strong contributions from the U.S. and Ontario segments which offset the impact of lower realized power prices in the Alberta commercial portfolio
- Net cash flow from operations impacted by fluctuations of forward prices on commodity derivative positions reflected as cash settlement
- Strong EBITDA results and lower shutdown capital in AFFO were offset by higher current income taxes and finance expenses

1) Before unrealized changes in fair value of commodity derivatives & emission credits.
9-month financial performance

In-line with expectations

- **$2.832B** +22% yoy
  
  Revenues and other income⁽¹⁾

- **$1.138B** +8% yoy
  
  Adjusted EBITDA

- **$840M** -6% yoy
  
  Net cash flows from operating activities

- **$657M** -7% yoy
  
  AFFO

- 9-month results reflect strong Alberta Commercial segment contribution
- Adjusted EBITDA further benefitted from 9 months of contribution from MCV
- Net cash flow from operations impacted by higher interest and income taxes paid
- AFFO impacted by higher current income taxes and finance expenses, partially offset by lower shutdown capex and preferred dividend paid

⁽¹⁾ Before unrealized changes in fair value of commodity derivatives & emission credits.
**Alberta commercial portfolio**

Reducing volatility and risk through hedging

---

**Power Hedged Volume**

<table>
<thead>
<tr>
<th>Year</th>
<th>Contract term: &gt; 12 months</th>
<th>Contract term: &lt;= 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2026</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

### Power

<table>
<thead>
<tr>
<th></th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedged volume (GWh)</td>
<td>9,500</td>
<td>8,500</td>
<td>7,500</td>
</tr>
<tr>
<td>Weighted average hedged prices ($/MWh)</td>
<td>Mid-$70s</td>
<td>Mid-$70s</td>
<td>Mid-$70s</td>
</tr>
<tr>
<td>Forward Alberta power prices ($/MWh)</td>
<td>$87</td>
<td>$68</td>
<td>$68</td>
</tr>
</tbody>
</table>

### Natural gas

<table>
<thead>
<tr>
<th></th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hedged volume (TJ)</td>
<td>70,000</td>
<td>55,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Weighted average hedged prices ($/GJ)</td>
<td>&lt; $2.00</td>
<td>&lt; $3.00</td>
<td>&lt; $4.00</td>
</tr>
<tr>
<td>Forward Alberta gas prices ($/GJ)</td>
<td>$2.80</td>
<td>$3.70</td>
<td>$3.80</td>
</tr>
</tbody>
</table>

1) Forecasted average contracted prices may differ significantly from future average realized prices as future realized prices are driven by a combination of previously contracted prices and settled prices. When long-term forward portfolio optimization hedges are transacted, they reflect the market’s expectations for future period pricing.

2) Net of gains as part of the Company’s gas portfolio optimization activities, including sales of previously purchased length.

3) Hedge data as of September 30, 2023

4) Forwards as of October 30, 2023
2023 targets
On track to deliver another strong year of operating and financial performance

- Facility availability: Q3/23 YTD 95%, 2023T 94%
- Sustaining capex ($M): Q3/23 YTD $99, 2023T $135 to $145
- Adjusted EBITDA ($M): Q3/23 YTD $1,138, 2023T $1,455 to $1,515
- AFFO ($M): Q3/23 YTD $657, 2023T $805 to $865

2023 Outlook
- Full year AFFO and Adjusted EBITDA are trending below the midpoint of the guidance ranges
- Strong performance strengthens balance sheet with anticipated FFO to debt of 26% for the year
Mark your calendar

• Investor Day event to be held on May 7 and 8, 2024 in Edmonton, Alberta
• Experience will include a tour of the Genesee Generating Station and Genesee Repowering project site
• 2024 guidance to be provided in Q4/23
Questions & Answers
Forward-looking information

Forward-looking information or statements included in this presentation are provided to inform our shareholders and potential investors about management's assessment of Capital Power's future plans and operations. This information may not be appropriate for other purposes. The forward-looking information in this presentation is generally identified by words such as will, anticipate, believe, plan, intend, target, and expect or similar words that suggest future outcomes.

Material forward-looking information in this presentation includes expectations regarding:

- our 2023 performance targets including for facility availability, sustaining capital expenditures, hedged position, FFO to debt ratio, adjusted funds from operations (AFFO) and adjusted EBITDA;
- our plans to transition off-coal, advancement of the Genesee Carbon Conversion Centre and commercial application of carbon conversion, capture and storage technologies;
- future revenues, expenses, earnings, adjusted EBITDA and AFFO;
- the future pricing of electricity and market fundamentals in existing and target markets;
- future dividend growth;
- the Company's future cash requirements including interest and principal repayments, capital expenditures, dividends and distributions;
- the Company's sources of funding, adequacy and availability of committed bank credit facilities and future borrowings;
- expectations from DRIP activation;
- the timing of, funding of, generation capacity of, operational performance and financial returns of, costs of technologies selected for, environmental and sustainability benefits including contributions to affordability, reliability, and decarbonization, commercial and partnership arrangements regarding existing, planned and potential development projects and acquisitions (including phase 2 of Halkirk Wind, the repowering of Genesee 1 and 2 (including being hydrogen ready and carbon conversion ready)), the Genesee carbon capture and storage (CCS) project, the upgrade at Goreway and York Energy, Goreway Battery Energy Storage System (BESS), York Energy BESS, East Windsor expansion, and the Maple Leaf Solar project;
- the financing plans, transaction close timing, financial impacts, receipt of required regulatory approvals, and future development opportunities of Frederickson 1 Generating Station;
- future growth and emerging opportunities in our target markets;
- the impact of the regulatory developments on our projects and business;
- potential opportunities and partnerships with Indigenous communities;
- market and regulation designs and proposals and the impact thereof on the Company's core markets; and
- the impact of climate change.

These statements are based on certain assumptions and analyses made by Capital Power considering its experience and perception of historical and future trends, current conditions, expected future developments, and other factors it believes are appropriate including its review of purchased businesses and assets. The material factors and assumptions used to develop these forward-looking statements relate to:

- electricity and other energy and carbon prices;
- performance;
- business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects;
- status and impact of policy, legislation and regulations;
- effective tax rates;
- the development and performance of technology;
- foreign exchange rates; and
- other matters discussed under the Performance Overview, Outlook and Risks and Risk Management sections.

Whether actual results, performance or achievements will conform to our expectations and predictions is subject to several known and unknown risks and uncertainties which could cause actual results and experience to differ materially from our expectations. Such material risks and uncertainties are:

- changes in electricity, natural gas and carbon prices in markets in which we operate and the use of derivatives;
- regulatory and political environments including changes to environmental, climate, financial reporting, market structure and tax legislation;
- disruptions, or price volatility within the Company's supply chains;
- generation facility availability, wind capacity factor and performance including maintenance expenditures;
- ability to fund current and future capital and working capital needs;
- acquisitions and developments including timing and costs of regulatory approvals and construction;
- changes in the availability of fuel;
- ability to realize the anticipated benefits of acquisitions;
- limitations inherent in our review of acquired assets;
- changes in general economic and competitive conditions, including inflation;
- changes in the performance and cost of technologies and the development of new technologies, new energy efficient products, services and programs; and
- risks and uncertainties discussed under the Risks and Risk Management section.

See Risks and Risk Management in our 2022 Integrated Annual Report for further discussion of these and other risks. Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Capital Power does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.
Investor Relations

Kat Perron
Media & Investor Relations
1-780-392-5335
investor@capitalpower.com