Maximizing Value Through Commercial Optimization

Analyst Presentation | Q2 2026

Capital Power

Agenda

Business Highlights
Avik Dey

Financial Review
Kevin MacIntosh

Closing Remarks
Avik Dey

Q&A

Avik Dey
President and
Chief Executive Officer

Kevin MacIntosh
Senior Vice President, Finance
and Chief Financial Officer

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 (North America).

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.

Forward-looking information

Cautionary statement

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 21 of this presentation and in Capital Power Corporation's (Capital Power or the Company) second quarter Management's Discussion and Analysis (MD&A) prepared as of July 29, 2026, which is available under the Company's profile on SEDAR+ at sedarplus.ca and on the Company's website at capitalpower.com.

Non-GAAP financial measures and ratios

Capital Power uses (i) earnings before income tax expense, depreciation and amortization, net finance expense, foreign exchange gains or losses, gains or losses on disposals and other transactions, unrealized changes in fair value of commodity derivatives and emission credits, other expenses from our equity-accounted investments, acquisition and integration costs, and other items that are not reflective of the Company's facility operating performance (adjusted EBITDA), and (ii) AFFO as specified financial measures. Adjusted EBITDA and AFFO are both non-GAAP financial measures.

Capital Power also uses AFFO per share as a specified 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 Capital Power, 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 and further discussion of these items are disclosed in the Company's MD&A prepared as of July 29, 2026, for the second quarter of 2026, under the "Non-GAAP Financial Measures and Ratios" section, which is incorporated by reference into this presentation and is available under the Company's profile on SEDAR+ at sedarplus.ca and on the Company's website at capitalpower.com.

Q2 Key Messages

Alberta is Open for Business

Alberta rapidly emerging as a leader in the data center space; commercial optimization reinforces Capital Power's superior positioning

Significant Embedded Growth Potential

Disciplined growth across multiple markets / technologies and ability to grow cash flow with limited capital

Total Balanced Return Profile

Compelling risk adjusted returns balanced between cash flow growth and yield

Q2 Highlights

Growth

Optimize

- 250 MW Energy Supply Agreement secured with Meta[1]
- 45 MW of uprates[2] underway, with completion expected in 2026

Build

- North Carolina Solar – advancing ~180 MW of additional capacity (2026 / 2027 COD)
- East Windsor Expansion – advancing ~100 MW of additional capacity; commissioning underway

Operations

Output

- ~10 TWh of generation across our portfolio (up 12% Y/Y)
- 60% of generation from U.S. portfolio (up 10% Y/Y)
- 66% of total planned outage days completed

1. Subsequent event. ESA signed July 8, 2026. 2. Expected uprates at Arlington Valley and Hummel Station.

Alberta Energy Supply Agreement

Commercially Optimizing Our Strategically Positioned Portfolio

Key Contract Terms

250 MW
Capacity and energy, expected 2H 2028

>10 Years
Long term duration agreement

IG Counterparty – Meta Platforms Inc.
AA-/Aa3 rated[1]

Strategic Benefits

- Optimizes merchant portfolio by adding contracted cash flow at compelling pricing
- No capital investment required
- Preserves commercial optimization potential at Genesee
- Enhances portfolio weighted average contract life

1.Credit ratings based on S&P Global Rating and Moody's Ratings, respectively.

Commercial Optimization

Maximizing Value Per Unit of Capacity Through Long-Term Contracting

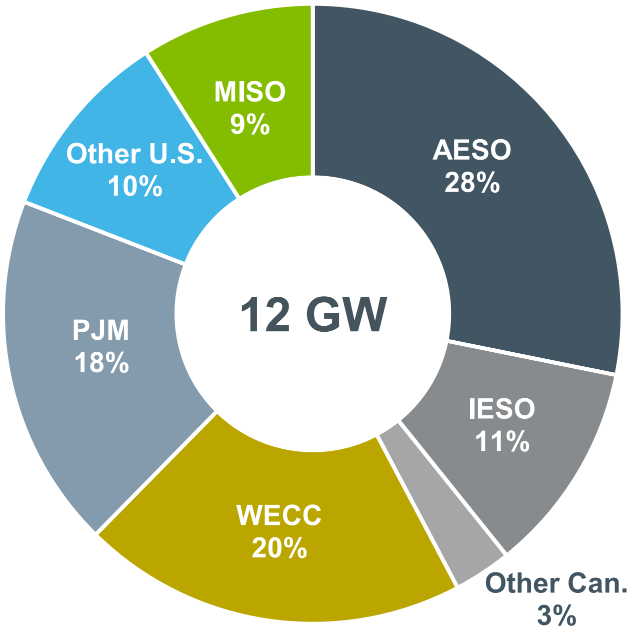
	2022	2023	2025	2026	2026
Market	**WECC[1]**	**IESO[2]**	**MISO[4]**	**WECC[1]**	**AESO**
Capacity	600 MW	1,685 MW[3]	1,240 MW[3]	600 MW	250 MW
Added Term	6 Years	8 Years	10 Years	7 Years	>10 years
Counterparty	Utility	IESO	Consumers[6]	Utility	Meta
Credit Rating[5]	Baa1	Aa3	A3	Baa1	Aa3

Long-dated contracts with investment-grade counterparties support cash flow certainty and growth

1. WECC assets include Arlington Valley 2.IESO assets include East Windsor, Goreway and York (including BESS). 3. Capacity presented on a gross basis; Capital Power owns 50% of MCV and York.
4. MISO assets include Midland Cogeneration. 5.Credit ratings based on Moody's Ratings. 6. Refers to Consumers Energy

Favorable Market Dynamics Unlocking Value

Capacity by Market



AESO

Policy clarity and demand growth supports long-term contracting and pricing upside

WECC

Market tightening supports higher reliability value and recontracting / expansion potential

PJM

Capacity pricing certainty to 2030, tight reserve margins driving superior energy pricing

IESO

Tightening market fundamentals driving higher utilization

Embedded Growth Opportunity[1]

Strong Fundamentals Driving Increase in Previously Identified Upside

Incremental Annual EBITDA[4] Opportunity

$1.25B Opportunity

2025 Investor Day $1 B
+$0.25 B

Merchant
$375 – 700 M

5 GW[2]
+ $10-20 / MWh
Incremental cash flow from merchant spark spreads and additional uncontracted volumes

Contracted
~$400 – 550 M

3 GW[3]
+ $75-125 / kW year
Incremental contracted cash flow from existing assets and uprates

1. Refers to incremental EBITDA upside from a 2026 baseline for existing assets through pricing, commercialization and optimization initiatives, with limited or no incremental growth capital required. Amounts shown are illustrative for sensitivity purposes only and do not represent guidance. 2. Merchant range shows the impact of a spark spread lift for PJM assets (Rolling Hills and Hummel at 85% and 30% capacity factor, respectively). For Alberta, merchant upside potential shows the impact of incremental spark spread lift with 466MW of capacity (current MSSC limit) plus 65 - 100MW of additional capacity above the MSSC for Genesee 1 and 2 at 85% capacity factor. Incremental capacity at Genesee above the MSSC limit is subject to regulatory approval. 3.Contracted upside based on U.S. flexible generation assets with contracts expiring between 2029 and 2032; also includes uprates for various US natural gas sites including: Arlington Valley, Harquahala, La Paloma, and Rolling Hills. 4. EBITDA is a non-GAAP financial measure. See Non-GAAP Financial Measures and Ratios.

Reaffirming 2026 Guidance Ranges

Adjusted EBITDA[1]

$1,565 M – 1,765 M

AFFO[1]

$890 M – 1,010 M

Sustaining CAPEX

$290 M – 330 M

1. AFFO and Adjusted EBITDA are Non-GAAP financial measures. See Non-GAAP Financial Measures and Ratios.

2026 Financial Performance

	Q2		YTD	
Adjusted EBITDA [1]	$351 M	+ $29 M YoY	$755 M	+ $66 M YoY
AFFO [1]	$328 M	+ $93 M YoY	$482 M	+ $29 M YoY
Revenues and other income	$740 M	+ $299 M YoY	$1,945 M	+ $516 M YoY
Net cash flows from operating activities	$214 M	+ $71 M YoY	$526 M	+ $173 M YoY

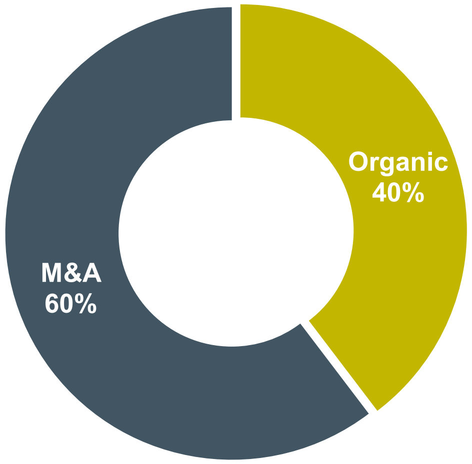
1. AFFO and Adjusted EBITDA are Non-GAAP financial measures. See Non-GAAP Financial Measures and Ratios.

A Balanced Formula

Organic Growth, Disciplined M&A and a Growing Dividend

Growth

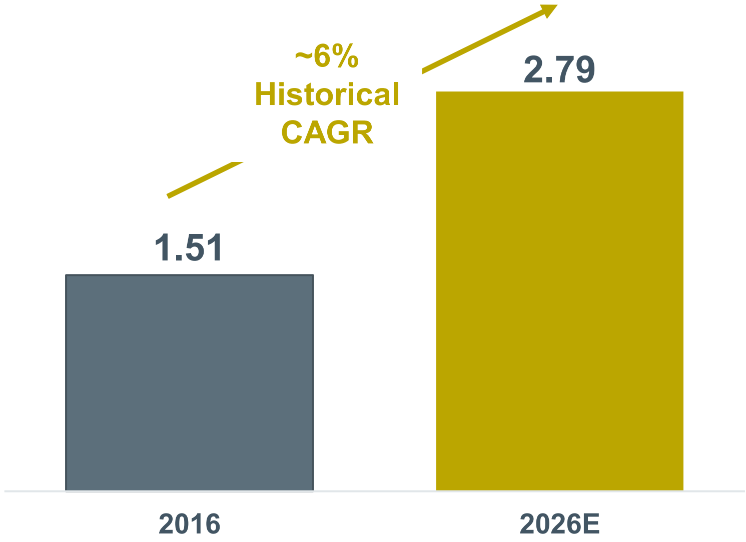
Capital Investment (10 Yrs)



$12B Invested since 2017[1,2]

Yield

Dividend Per Share ($)



2% 2026 Dividend Increase[3]

1.Capital invested reflects Capital Power's working interest. 2. Spending reflects investments made from 2017 through 2026. 2026 spending includes announced uprates and organic growth projects; no future M&A assumed. 3. Announced concurrent with Q2/26 .

Our 2030 Targets[1]

8-10 % Cash Flow	AFFO / Share Growth CAGR[2]
~50 % U.S. Growth	Additional owned U.S. capacity of 3.5 GW
13-15 % Annual TSR	Balanced returns from dividend yield and base business growth

1. 2026 base year for growth outlook through 2030. 2. AFFO per share is a Non-GAAP ratio. See Non-GAAP Financial Measures and Ratios.

Questions & Answers

Appendix

CPX 2026 Guidance Details

	Net Capacity (GW)	Proportion of total net capacity	Generation (TWh)	Capacity Factor	Availability
U.S. Flexible Generation	6.2	51%	27.6	51%	92%
Canada Flexible Generation	4.4	36%	18.0	53%	92%
U.S. Renewables	0.6	5%	2.2	39%	96%
Canada Renewables	0.9	8%	2.7	35%	97%
Total	**12.1**	**100%**	**50.5**		

PJM and Alberta Portfolio Hedge Position

Portfolio Hedged Volumes (June 30, 2026)

	Alberta			PJM		
	2026[1]	**2027**	**2028**	**2026[1]**	**2027**	**2028**
Hedged Power (GWh)	6,500	9,500	5,500	5,000	9,500	5,500
Weighted Average Price ($/MWh) [2]	Low-$70s	High-$60s	Low-$70s	High-$40s	High-$40s	High-$40s
Hedged Natural Gas [3]	45,000	65,000	40,000	45,000	75,000	45,000
Weighted Average Price [4]	>$3	<$4	>$3	>$3	<$3	>$3

Forward Market Pricing (June 30, 2026)

	2026	**2027**	**2028**
Power			
AESO (C$/MWh)	$42.88	$46.56	$62.94
PJM AEP (US$/MWh)	$58.38	$55.73	$55.64
PJM PPL (US$/MWh)	$56.32	$50.28	$51.63
Natural Gas			
AECO (C$/GJ)	$1.82	$2.28	$2.57
Henry Hub (US$/MMBtu)	$3.38	$3.46	$3.67
Transco Leidy (US$/MMBtu)	$2.58	$2.83	$3.03
Tetco ELA (US$/MMBtu)	$3.12	$3.30	$3.52

1. 2026 positions represent active hedges from Q3 2026 through year-end 2026. 2. Alberta is denoted in CA$ and PJM in US$. 3. Volume: Natural Gas for Alberta is denoted in terajoule and PJM in MMBtu 4. Pricing: Alberta is denoted in CA$/GJ and PJM in US$/MMBtu.

Detailed Results by Facility

Q2 2026
Results by Facility

Click to download

Forward-looking information

Forward-looking information or statements (collectively, forward-looking information) included in this presentation are provided to inform our shareholders, potential investors and other stakeholders about management's assessment of Capital Power's future plans and operations. This forward-looking 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, among other things, expectations regarding:

- our priorities and long-term strategies, including our strategy of diversification, acquiring and optimizing existing natural gas capacity, contracting and re-contracting our existing assets, and advancing strategic renewables development,
- growth opportunities among natural gas, renewables and storage technologies,
- our 2030 targets, including cash flow, U.S. growth, and total shareholder return,
- our 2026 guidance ranges, including sustaining capital expenditures, as well as AFFO and adjusted EBITDA,
- future revenues, expenses, earnings, adjusted EBITDA and AFFO,
- the outcomes resulting from the Energy Supply Agreement with Meta ("ESA"),
- PJM and Alberta's portfolio position, including portfolio hedged volumes and forward market pricing,
- the future pricing of electricity and market fundamentals in existing and target markets, and
- various aspects around existing, planned and potential development projects and acquisitions (including Arlington Valley, Hummel, North Carolina Solar, and East Windsor Expansion), including expectations around timing and completion.

These statements are based on certain assumptions and analyses made by the Company in light of 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 this forward-looking information relate to:

- electricity and other energy (including natural gas) and carbon prices,
- the Company's performance,
- the Company's business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects,
- the energy needs of certain jurisdictions,
- the status and impact of policy, legislation and regulations,
- effective tax rates,
- the development and performance of technology,
- the outcome of claims and disputes,
- foreign exchange rates, and
- other matters discussed under the Performance Outlook and Risks and Risk Management sections of the MD&A.

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

- 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 our supply chains,
- generation facility availability, wind capacity factor and performance including maintenance expenditures,
- Meta's completion of a data center as contemplated in the ESA,
- 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 market prices and 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 and recession,
- changes in the performance and cost of technologies and the development of new technologies, new energy efficient products, services and programs, and
- the risks and uncertainties discussed under the Risks and Risk Management section of the MD&A.

See Risks and Risk Management in our 2025 Integrated Annual Report for the year ended December 31, 2025 for further discussion of these and other risks.

Readers are cautioned not to place undue reliance on any such forward-looking information, which speak only as of the date made and that other events or circumstances, although not listed above, could cause Capital Power's actual results to differ materially from those estimated or projected and expressed in, or implied by the forward-looking information. Capital Power does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking information 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.

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