

Reliable • Affordable • Clean

Building the leading power producer in North America

November 2024

Capital
Power 



Capital Power is the 5th largest gas IPP in North America and has a track record for **growth and decarbonization**

~15%

10-year total shareholder return¹

**BBB- /
BBB (low)**

Investment grade credit rating (S&P, DBRS)

~50%

reduction in emission intensity

4x

increase total capacity

2014 - 2024

~50% / ~50%

U.S. / Canada capacity

\$6 B

M&A transactions²

2014-2024

1. From December 31, 2014 to October 31, 2024

2. Denotes full transaction value inclusive of partner working interest



Three core lines of business allow us to create balanced energy solutions for our customers



Create Balanced Energy Solutions

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Power Industry Fundamentals

Unprecedented Demand Outlook



North American power demand growth is multi-faceted:

- ➔ Data centers
- ➔ Nearshoring
- ➔ EVs (retail and commercial)
- ➔ Industrial electrification

Annual energy consumption from electricity in North America (QBTU¹)



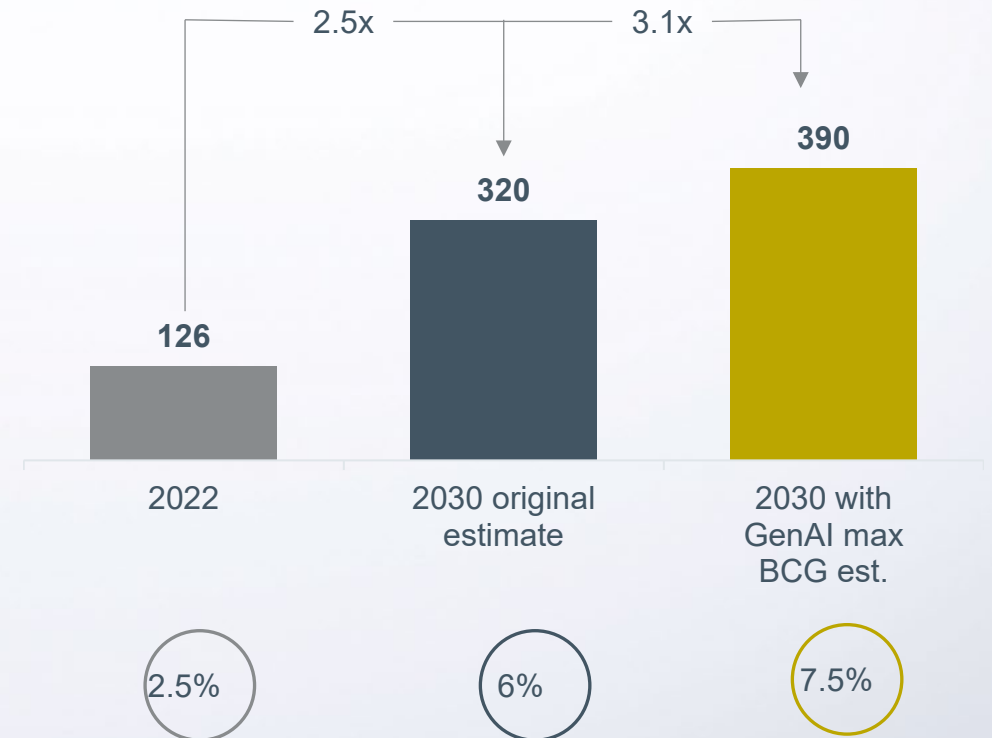
Data center demand growth is also multi-faceted:

- ➔ Cloud computing
- ➔ Streaming services
- ➔ Mobile applications
- ➔ Financial transactions
- ➔ Artificial intelligence

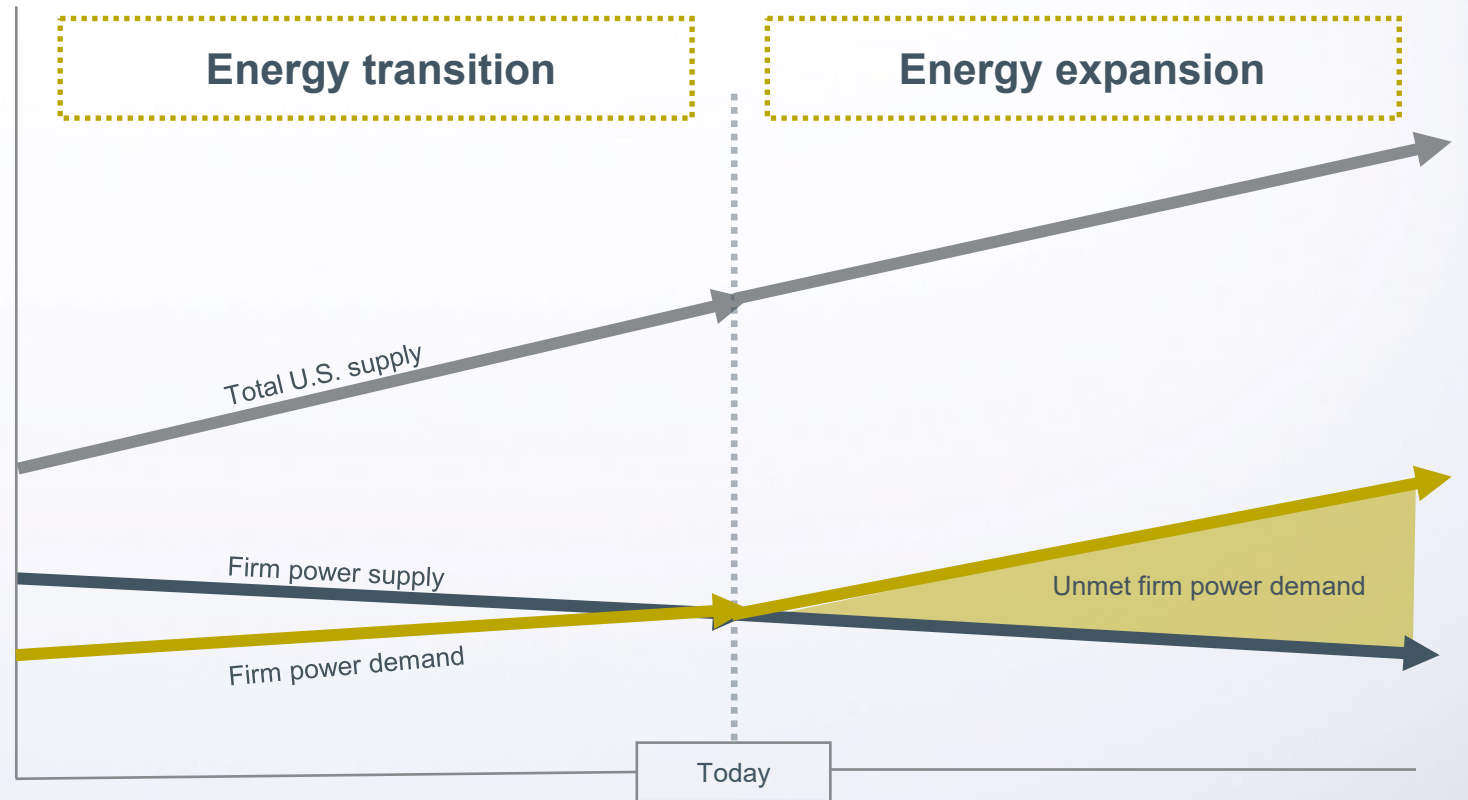
From 2.5% to 6-7.5%

Data centre share of U.S. electricity consumption

Data centre electricity consumption in the U.S., TWh (2022-30)



Power demand growth **increases** the value of firm power supply

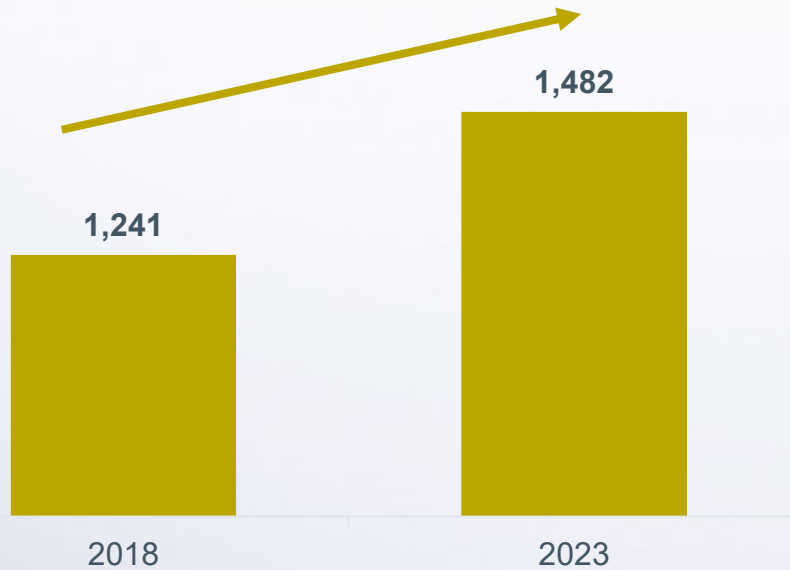


Strong natural gas fundamentals

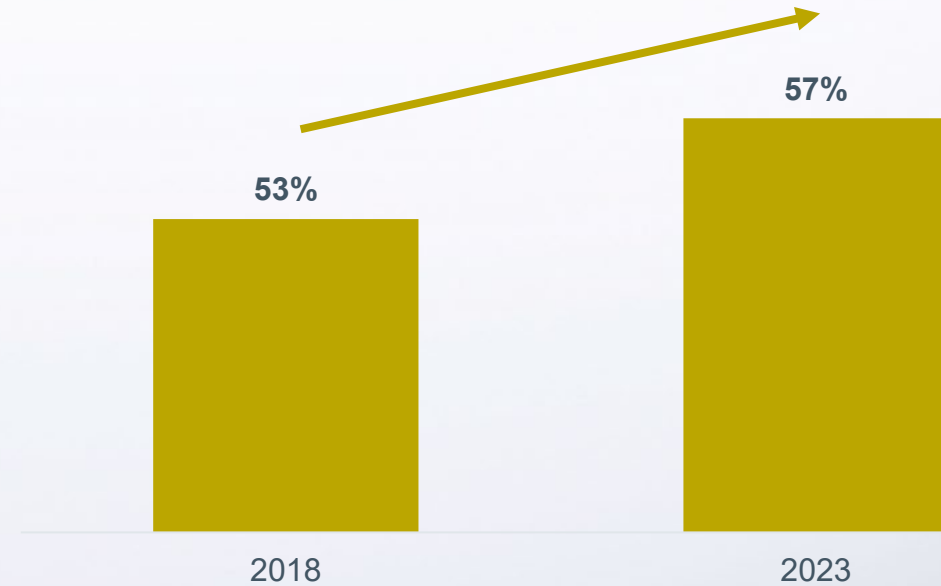
Increasing power demand drives the need for thermal generation

U.S. natural gas combined cycle

Generation (TWh)⁽¹⁾



Capacity factor (%)⁽¹⁾



1. SNL (S&P Capital IQ), U.S. combined cycle units

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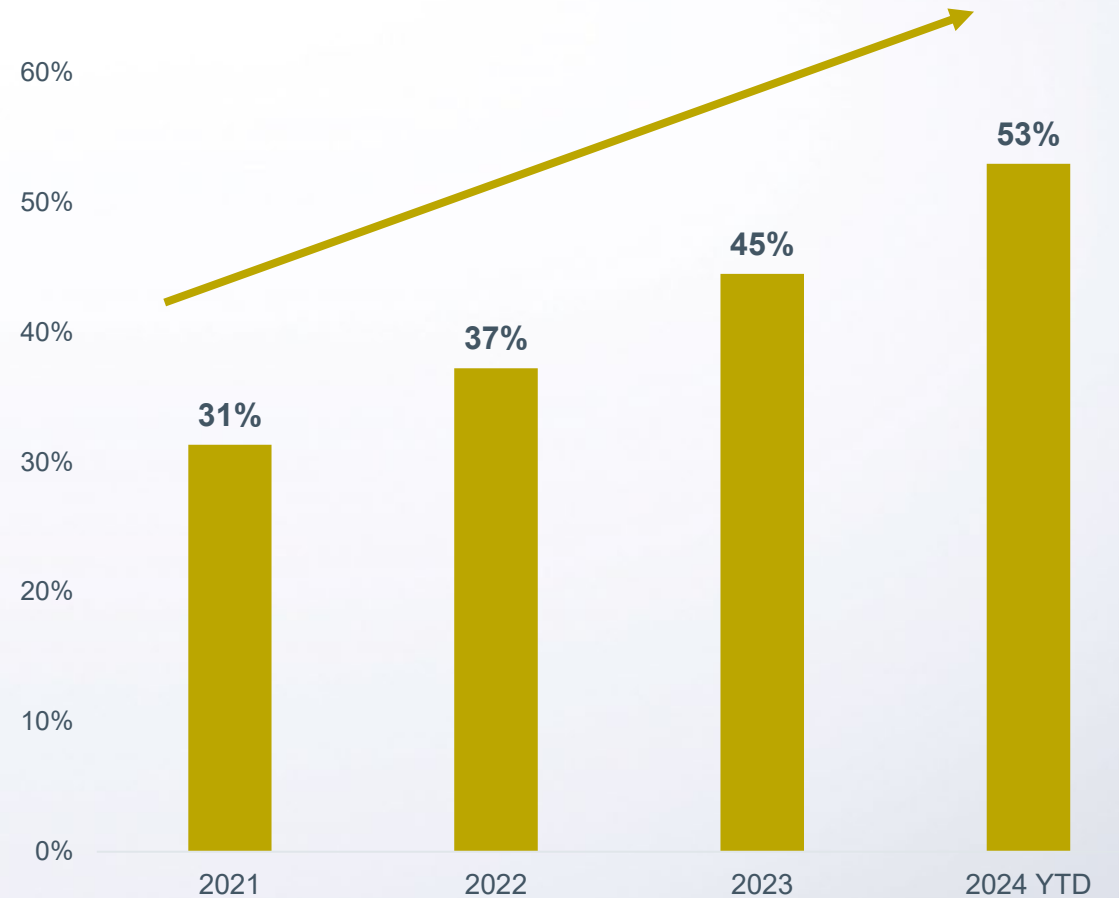
Capital Power Update

Positioned to succeed amid energy expansion



There is a strong case for re-contracting our existing thermal assets

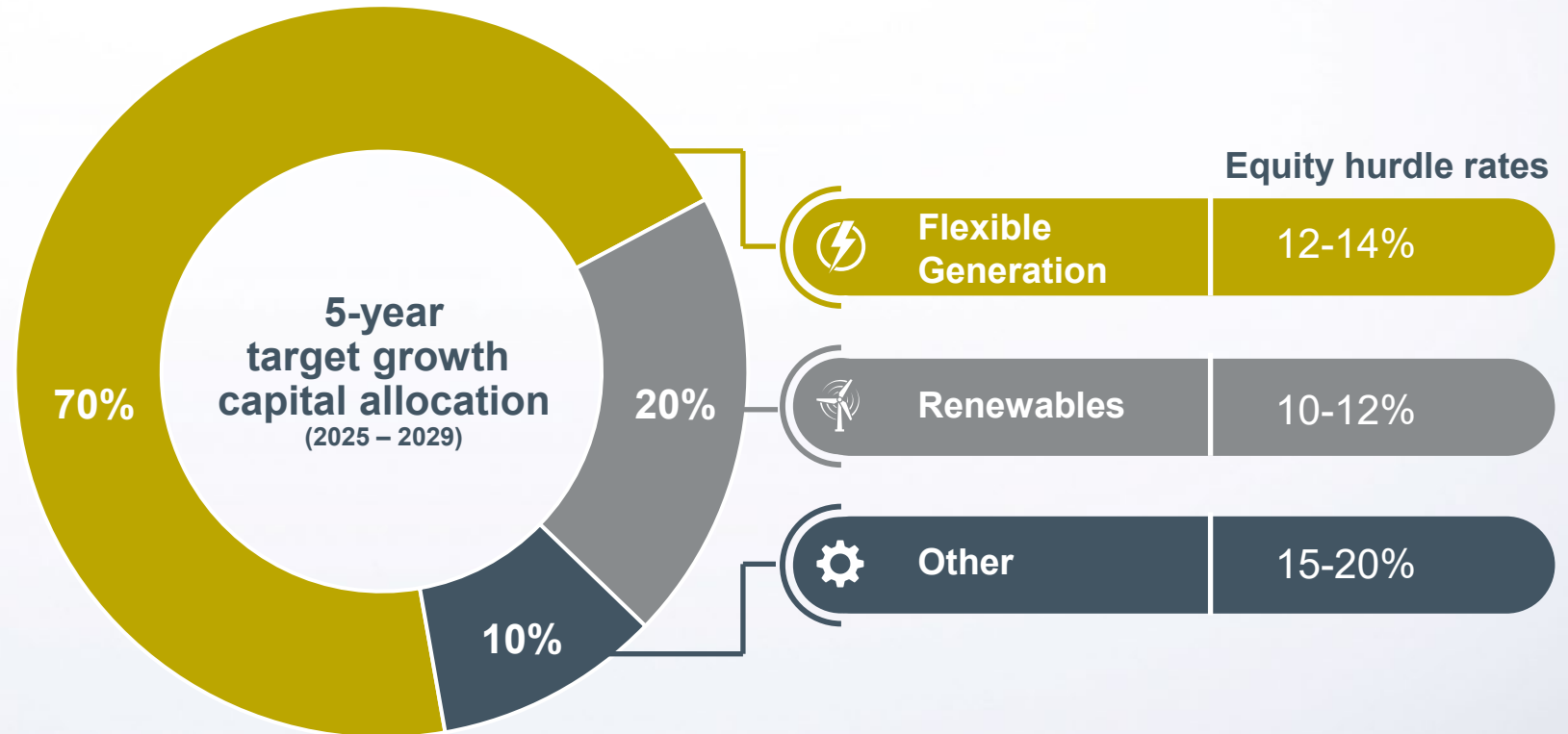
CPX U.S. flexible generation capacity factor¹



1. Historical capacity factors have been re-baselined to include U.S. acquisitions.



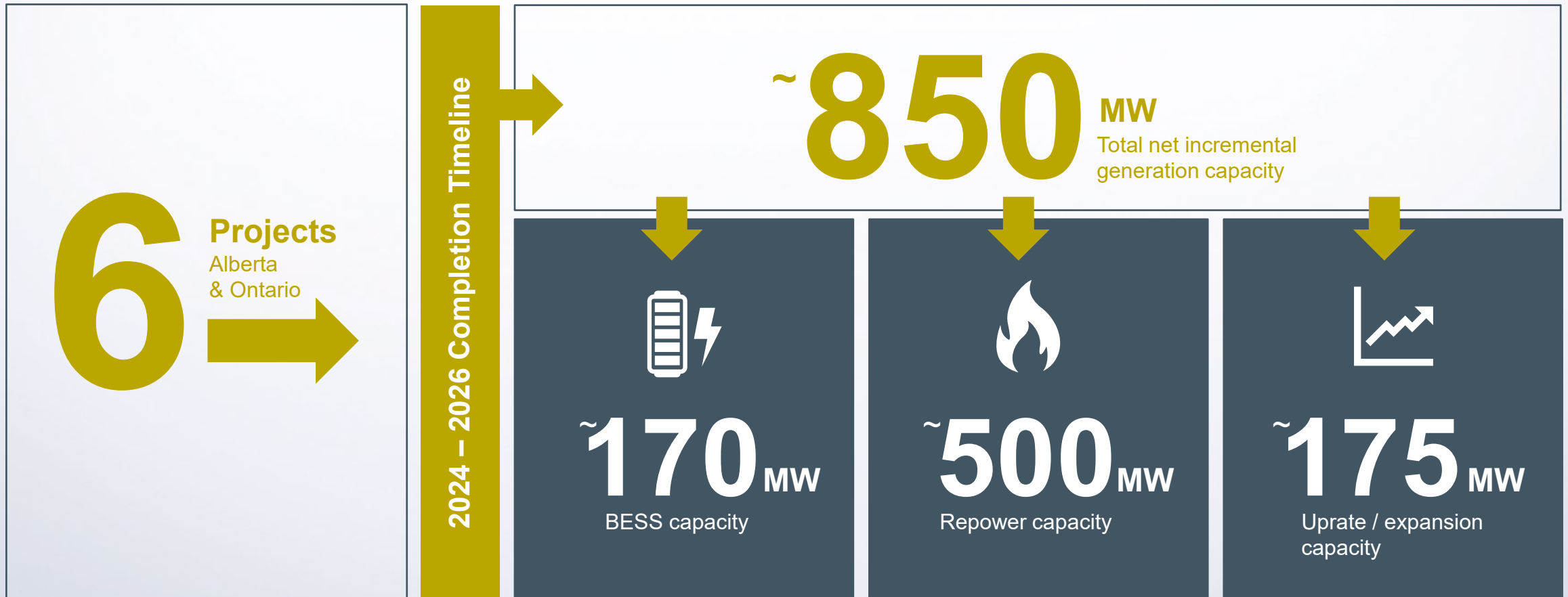
We have a **disciplined approach** to capital allocation



Targeted total shareholder return of 12-14%

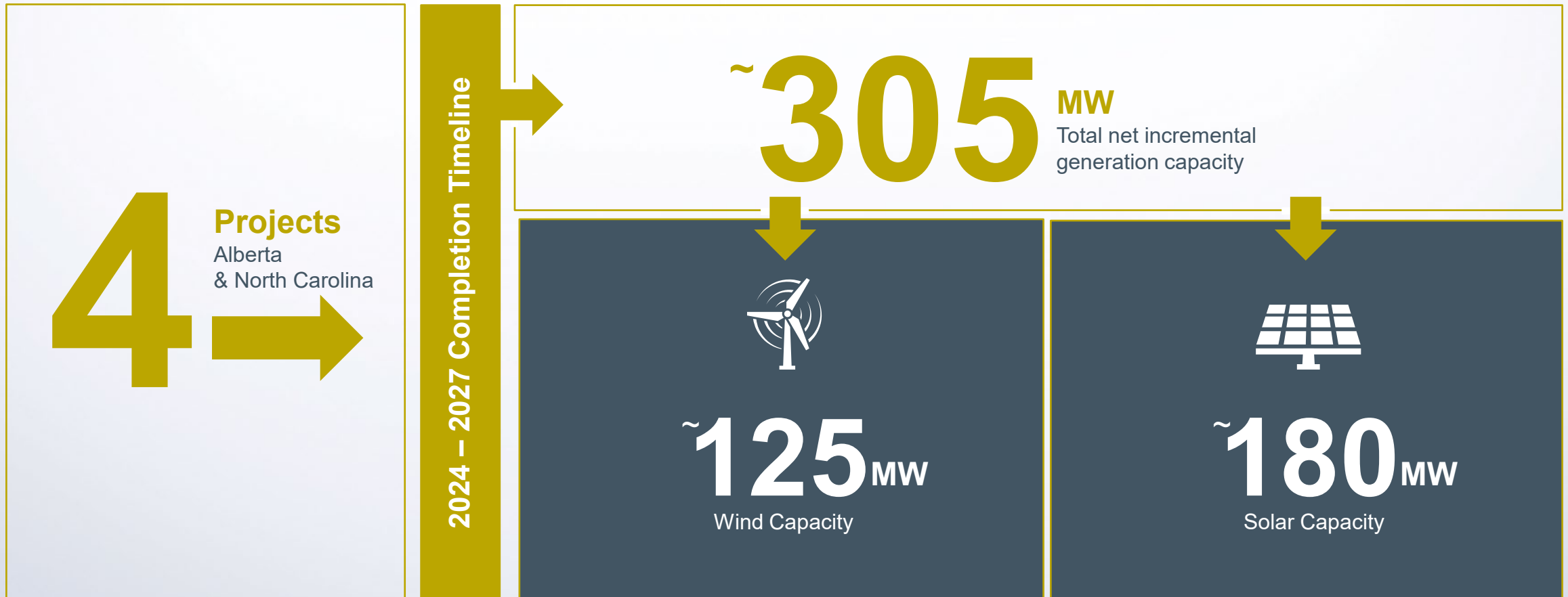
Flexible Generation

Project Portfolio Update



Renewables

Project Portfolio Update



Superior data center value proposition; speed to market with confidence



Existing reliable generation

14 flexible generation sites with ~7.8 GW of capacity



Top tier land position with expansion potential

~18,000 acres of developable land



In-house operational capabilities

Dedicated and highly trained specialists



Stakeholder relations

Track record for constructive engagement



Commercial and trading expertise

Thoughtful and creative approach; IG credit rating



**Balanced
energy
solution for
data centers**



Capital Power is **best positioned** to lead the North American **energy expansion**

Strong foundation

- ➔ Superior fleet and operational capability
- ➔ Access to capital
- ➔ Deliver, build and create solutions

Unprecedented opportunity

- ➔ Power demand will double by 2050
- ➔ Value of reliable power is rising

Market-ready strategy

- ➔ Flexible generation enables reliability and growth of clean energy
- ➔ Focus on select markets



Appendix I

Power Industry Fundamentals



Data centres
need firm
supply and
will challenge
the supply mix

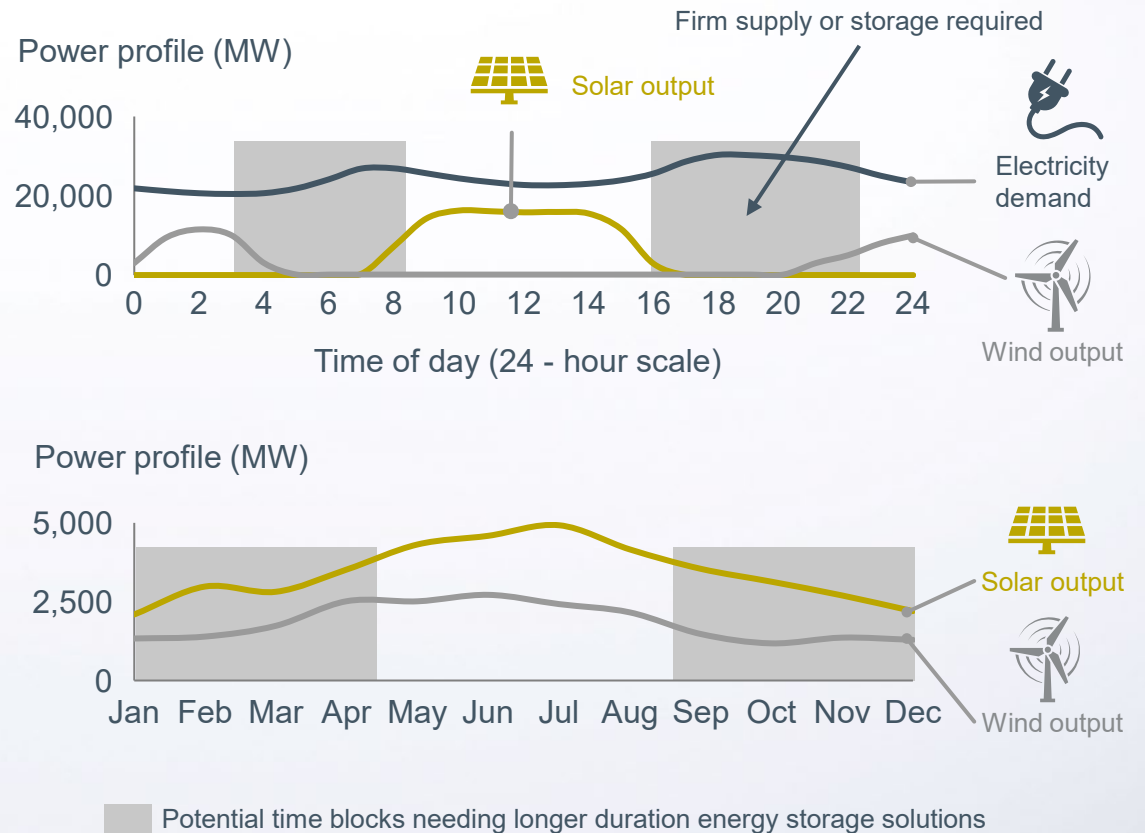
**Renewables + battery resources required to replicate an
efficient 1,000 MW gas plant:**

~10x
Capital

~9x
Capacity

~1,000x
Land

Intermittent nature of solar and wind requires Flexible Generation to maintain reliability



Appendix II

Additional CPX Details



We have a **proven track record** of M&A value creation

6-9%

AFFO per share accretion

3-10 years

PPA extension



Our high-quality portfolio drives **multiple sources** of funding

➔ Internally generated cash flows

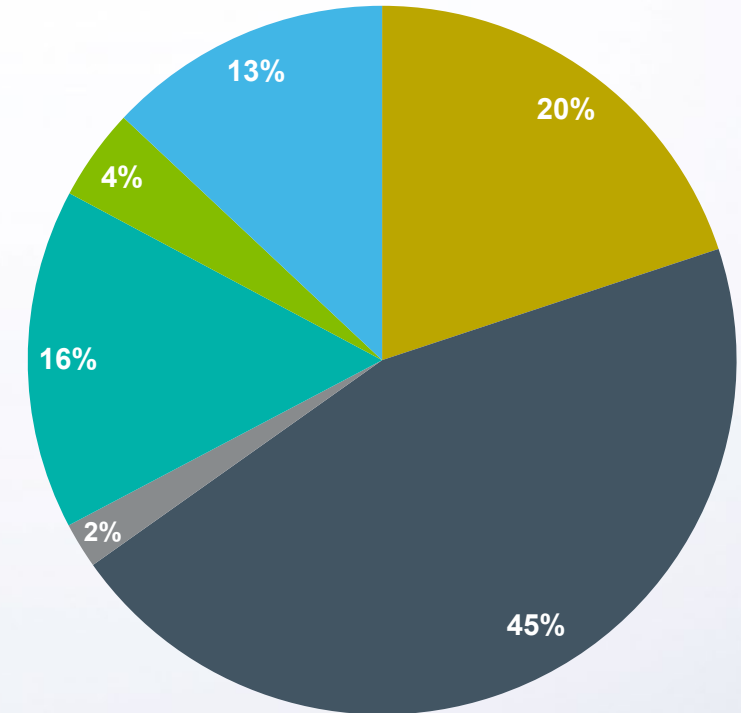
➔ Corporate and asset level debt

➔ Hybrids and preferred shares

➔ Partnerships

➔ Asset recycling

➔ Common equity



■ Internal Cash Flows ■ Debt¹ ■ Hybrids³ ■ Partnerships ■ Asset Sales⁴ ■ Common Equity²

Capital investment screening criteria



We are committed to **growing our dividend per share**, as we invest in growth



1. Represents simple average of 2019 to 2023
Subject to market conditions, economic outlook, cash flow forecast, and Board approval at the time

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 2024 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 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, 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 2023 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.





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