



# **Northland Power Investor Presentation**

*June 2022*



A photograph of a wind turbine blade extending from the bottom right towards the top left, set against a backdrop of a cloudy sky and a green, hilly landscape with other turbines in the distance. A bright green rectangular box is overlaid on the left side of the image, containing the text 'CORPORATE OVERVIEW'.

# **CORPORATE OVERVIEW**

# Northland Overview

A **top global player** in offshore wind – fastest growing renewables power technology

- **Northland Power** is a leading global power producer at the forefront of the **global energy transition**
- **Over 30 years of success** developing, constructing and operating power projects across a range of technologies
- Well-diversified portfolio of high-quality power infrastructure assets: over **3 GW** of **operating capacity**
- **Majority of revenues** under long-term contracts with highly creditworthy government counterparties
- **Significant development opportunities** across multiple markets and technologies: **14 GW** development pipeline to support growth
- **Significant depth of management experience** across a number of disciplines including renewable power project development, project finance, construction and operations.
- **Strong environmental and health & safety record**



# Global Competitive Position

Northland is on the ground in key markets



## Regional Development Offices

Toronto  
Mexico City  
Glasgow  
Seoul  
Madrid

Houston  
Bogota  
Amsterdam  
Tokyo  
Warsaw



## Offshore Wind

Offshore wind engineering and construction management centers

Hamburg

Taipei



## Onshore Renewables

Onshore wind, solar and construction management

Toronto

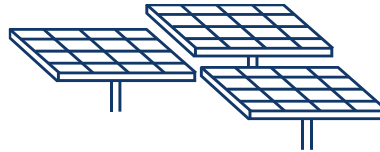
# Global Company with Local Presence

Established Regional Presence Provides Competitive Advantage



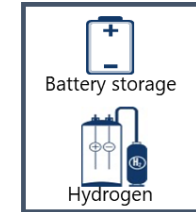
## Offshore Wind Strategy

- **TOP 10** Incumbent in Global Offshore Wind
- **Fastest Growing** Renewables Technology
- Significant driver of value and growth over next decade
- **1.2 GW** in operations and **2.7 GW<sup>1</sup>** of projects which will achieve financial close within the next 2 years
- Building size and scale across multiple markets in Europe and Asia



## Onshore Renewables Strategy

- **Growth in near-term cash flow**
- Industry is expected to grow at upwards of **10% per annum** over the next decade
- We continue to build local capabilities in development to ensure that sufficient resources are available in supporting functions
- **M&A** will continue to play a role to grow presence in select markets
- **Focus** will be **on key markets** including the US Northeast, Southern and Eastern Europe and Colombia



## New Technologies

- **New growth** area focus for Northland
- Exploring opportunities in **energy storage and green hydrogen**
- A way to tap higher-value end markets for our electrons

1. Includes Hai Long, Baltic Power and Nordsee Two

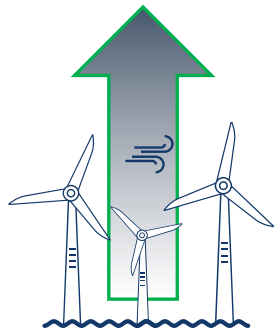


# Accelerating Growth

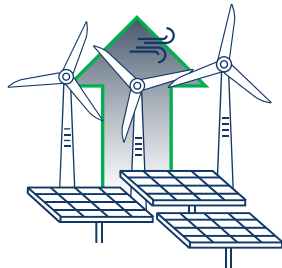
Northland's capital allocation is focused on renewable growth



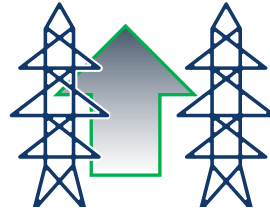
Northland has the following major business segments



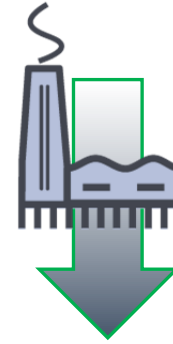
**Offshore Wind**  
Increase Exposure



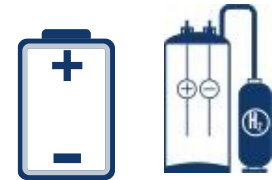
**Onshore Renewables**  
Increase Exposure



**Utilities**  
Increase Exposure



**Efficient Natural Gas**  
Reduce Exposure



**New Technologies**  
Establish Position

*Our Renewables segments are growing in line with our capital allocation strategy, and we intend to establish initial positions in new technologies such as energy storage and renewable green fuels*

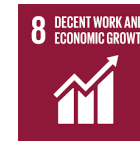
# Sustainability

Developing programs and initiatives to inspire, train and grow our workforce



## Keep our people healthy & safe

by upholding the highest standard of safety and wellbeing of our people, contractors and all other stakeholders



## Further differentiate our workforce

by attracting, developing and retaining the best people to help execute on our strategy



## Prioritizing diversity, inclusion and belonging

By ensuring our people feel respected, included and empowered to contribute to the advancement, growth and success of Northland

# 2021 Sustainability Report

## Our ESG Performance



Launched our **2021 Sustainability Report** and **ESG Performance Index**. Both reports represent an enhanced level of ESG disclosure for Northland’s and contain information and data covering our activities and accomplishments in 2021.

### Alignment and reporting standards

Relevant United Nations Sustainable Development Goals (UN SDGs)

Alignment with the Sustainability Accounting Standards Board (SASB) KPIs for our industries

In accordance with a core level Global Reporting Initiative Standard (GRI)

In alignment with the recommendations of the Taskforce for Climate-Related Financial Disclosures (TCFD)

**Zero**  
Life-Changing Incidents

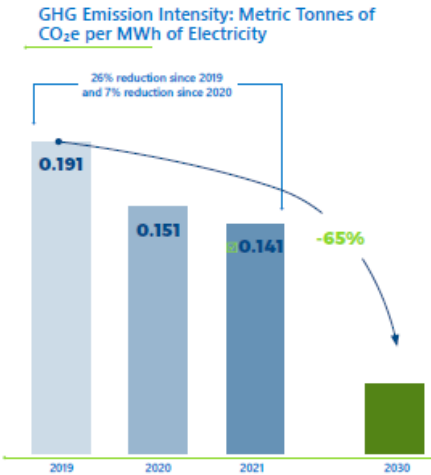
#Equalby30

**75**  
overall engagement score

**82%**  
global survey response

over **90** community relationships

over **30** community outreach initiatives



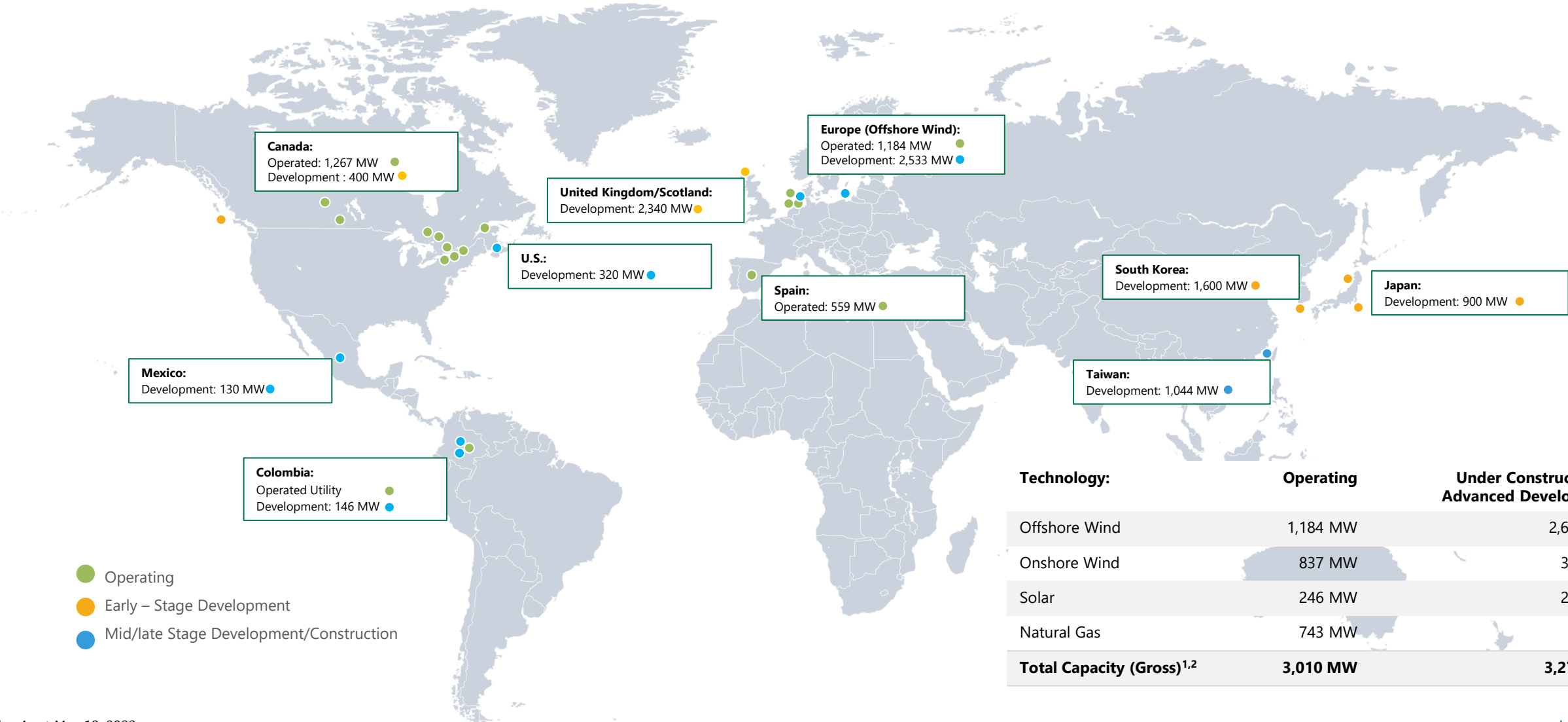


A photograph of a wind turbine blade in the foreground, extending from the bottom right towards the top left. The blade is white and has some mechanical components visible at its base. In the background, there is a landscape of rolling green hills and several other wind turbines. The sky is filled with large, grey, dramatic clouds.

# **PORTFOLIO OVERVIEW**

# Diversified Asset Portfolio

Strong operating foundation with a significant growth profile



Technology:	Operating	Under Construction & Advanced Development
Offshore Wind	1,184 MW	2,677 MW
Onshore Wind	837 MW	320 MW
Solar	246 MW	276 MW
Natural Gas	743 MW	-
<b>Total Capacity (Gross)<sup>1,2</sup></b>	<b>3,010 MW</b>	<b>3,273 MW</b>

1. As at May 18, 2022  
2. Includes Hai Long, Baltic Power, Nordsee Two, La Lucha, Helios, Suba and NY Wind

# Sustainable growth

## Strong Growth Portfolio Across Multiple Technologies

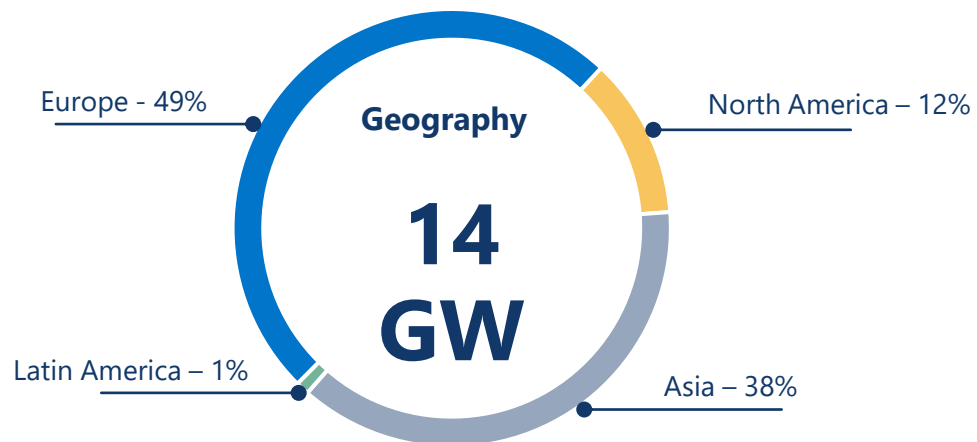
Continue to target **Europe and Asia** as key markets for **offshore wind** development

**Expand onshore footprint** in Northeast United States and Colombia as well as Europe, targeting EU Eastern Europe and Spain

Focus on establishing global position in green **hydrogen and storage**

## Northland Power presence

Toronto  
Houston  
Bogota  
Mexico City  
Glasgow  
Hamburg  
Amsterdam  
Warsaw  
Madrid  
Tokyo  
Seoul  
Taipei



## Offshore Wind Strategy

Leveraging our global leadership position

# TOP 10 Incumbent in Global Offshore Wind

**1.2 GW** in operations and **2.7 GW<sup>1</sup>** of projects which will achieve financial close within the next 2 years

**Fastest Growing** Renewables Technology

1. Includes Hai Long, Baltic Power and Nordsee Two





# Offshore Wind Strategy

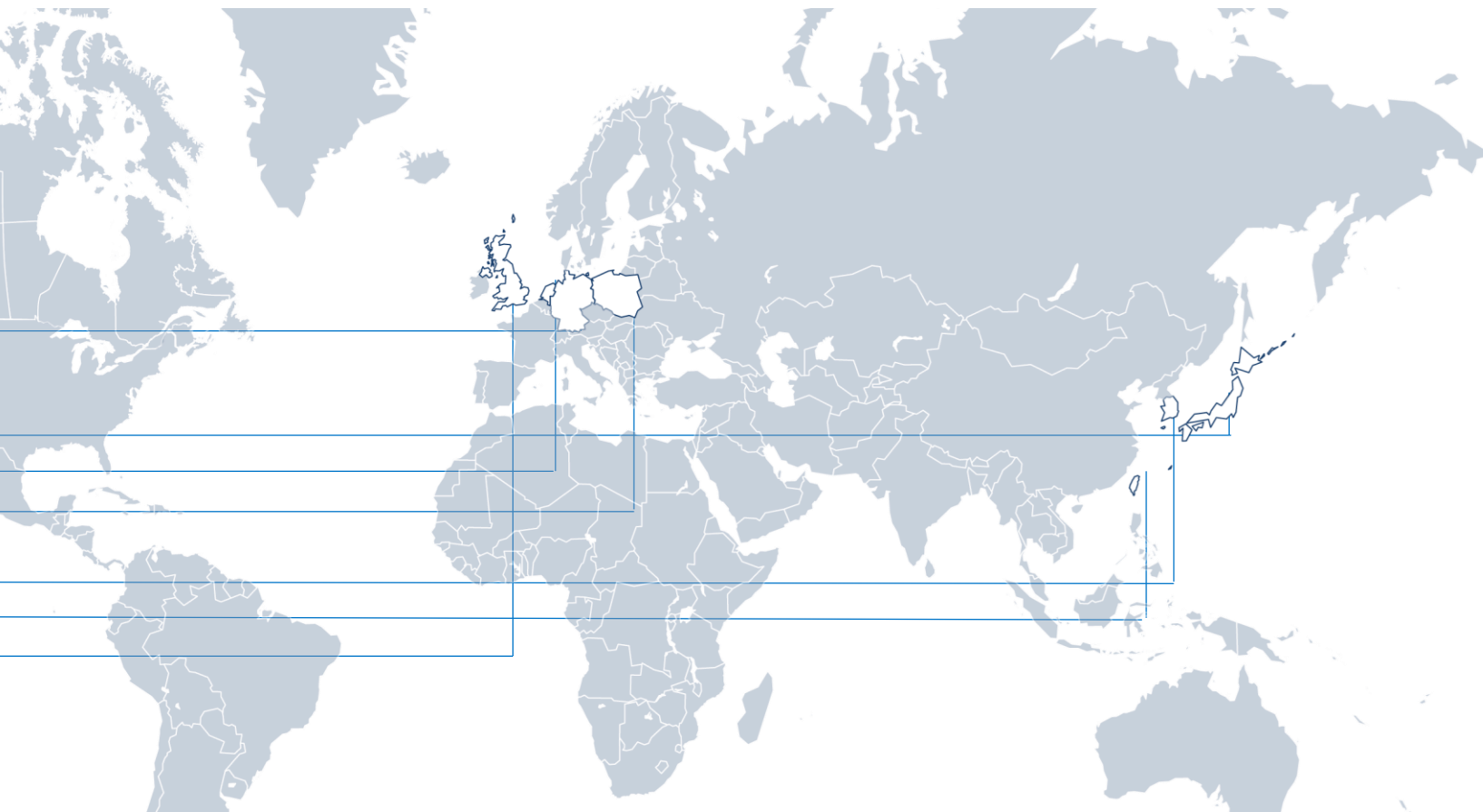
Projects and teams in top global markets for offshore wind



## *National offshore wind targets by 2035*

Australia: 2GW  
Brazil: 3GW  
France: 11GW  
**Germany: 40GW**  
Ireland: 6GW  
India: 8GW  
**Japan: 10GW**  
**Netherlands: 22GW**  
**Poland: 11GW**  
Spain: 2GW  
**S. Korea: 12GW**  
**Taiwan: 21GW**  
**UK: 50GW**  
US: 40GW  
Vietnam: 7GW

**Our active offshore wind markets in bold**



# Europe

Established offshore wind platform in North Sea



**1.2 GW<sup>1</sup>**  
Offshore wind  
in-operation

1

Deutsche Bucht	
COD:	2020
Capacity:	252 MW
Ownership:	100%
PPA Expiry:	2032

1 Deutsche Bucht



2 Gemini



Nordsee One



3

Netherlands

Gemini	
COD:	2017
Capacity:	600 MW
Ownership:	60%
PPA Expiry:	2031

Nordsee One	
COD:	2017
Capacity:	332 MW
Ownership:	85%
PPA Expiry:	2027

Germany

1. Represents total gross operating capacity.



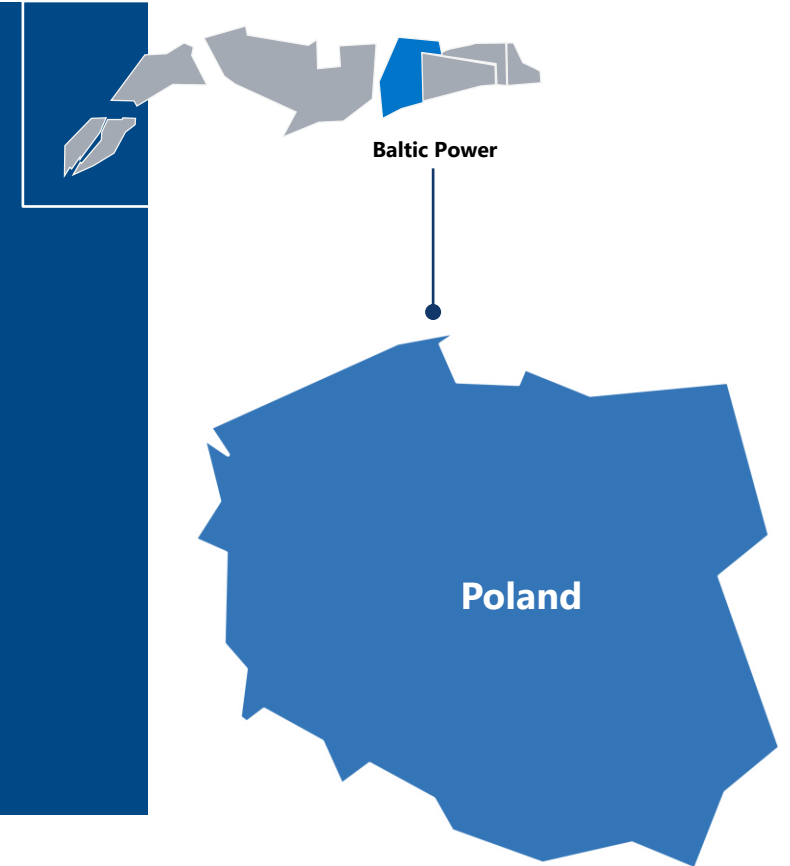
# Baltic Power

Established position in Eastern Europe through Baltic Power offshore wind project



## Up to 1.2 GW

- Poland is an attractive new country within the EU, with growth potential in onshore and offshore
- Granted a 25-year fixed price Contract for Differences ("CfD")
- Partnership provides local presence and scale resulting in enhanced returns due to synergies in development, construction and operation
- Progress the project to financial close by completing design, certification, consents, procurement strategy, optimisation and financing plan



### Timeline For Baltic Power Development



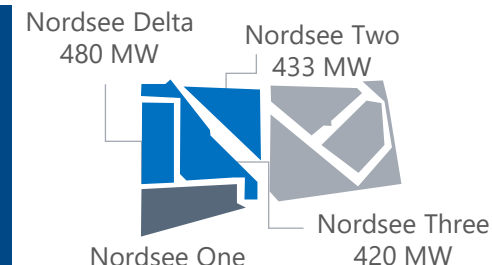
# Nordsee Cluster Offshore Wind

Building Scale and Size in German Offshore Wind



## 1.3 GW

- Partnership provides scale resulting in enhanced returns due to synergies in development, construction and operation of the cluster projects
- Secured Nordsee Two site through exercise of step-in rights
- Auction for Nordsee Three and Nordsee Delta with a total capacity of 900 MW will be in 2023. Partnership holds step-in rights for both sites
- Enhanced offtake capabilities through formation of cluster



### Timeline For Nordsee Cluster Development



# Scotwind Offshore Wind

Executing on our strategy to Extend our Offshore wind runway



## 2.3 GW

- Successfully awarded two leases in recent Crown Estate Scotland offshore wind process
  - Lease N4 – 840 MW fixed bottom foundation
  - Lease N2 – 1,500 MW floating foundation
- Continuation of Northland’s offshore strategy of being early mover in key markets. Extends Company’s development runway into next decade
- Example of establishing local partnerships leading to success
- Next steps include moving development plans forward and finalizing local content requirements in plan



### Timeline For Scotwind Development



# Asia

Hai Long project anchor for growth across the region



**4.0 GW+<sup>1</sup>**  
Offshore wind  
in-development

**Taiwan**

**Hai Long**  
**1, 044 MW**

**Japan**

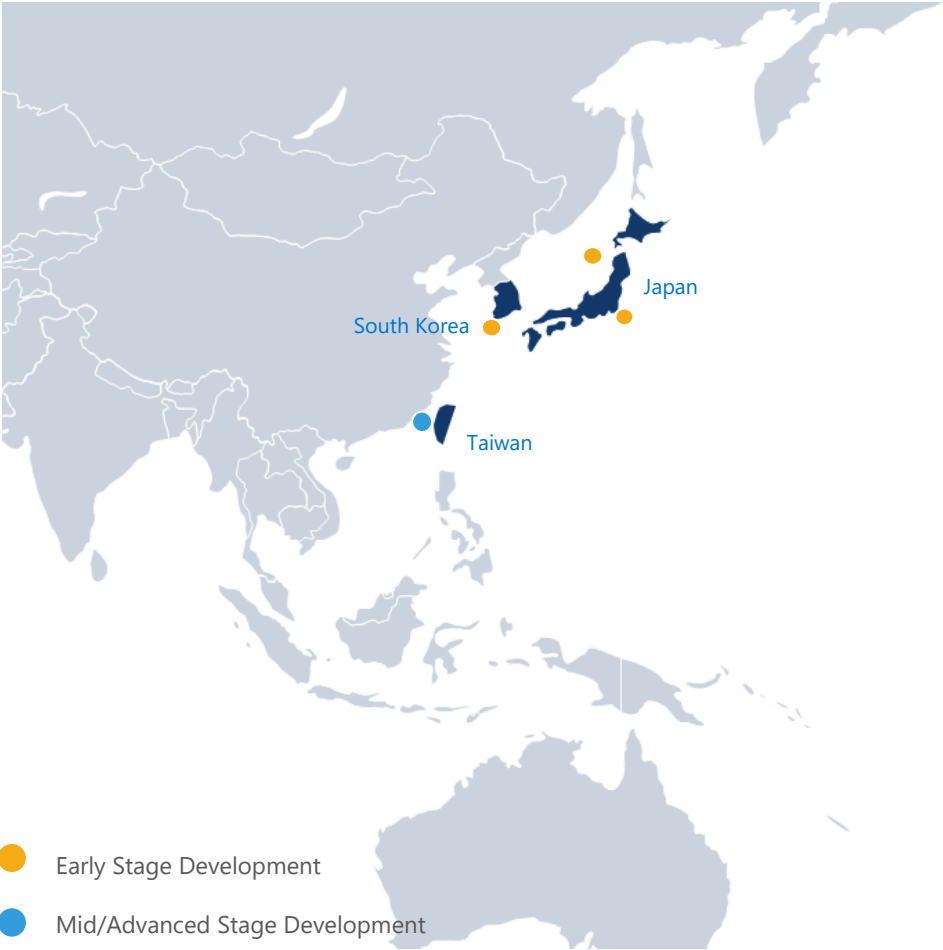
**Chiba**  
**600 MW**

**Katagami**  
**up to 400 MW**

**South Korea**

**Dado Ocean**  
**Up to 1,000 MW**

**Bobae**  
**600 MW**



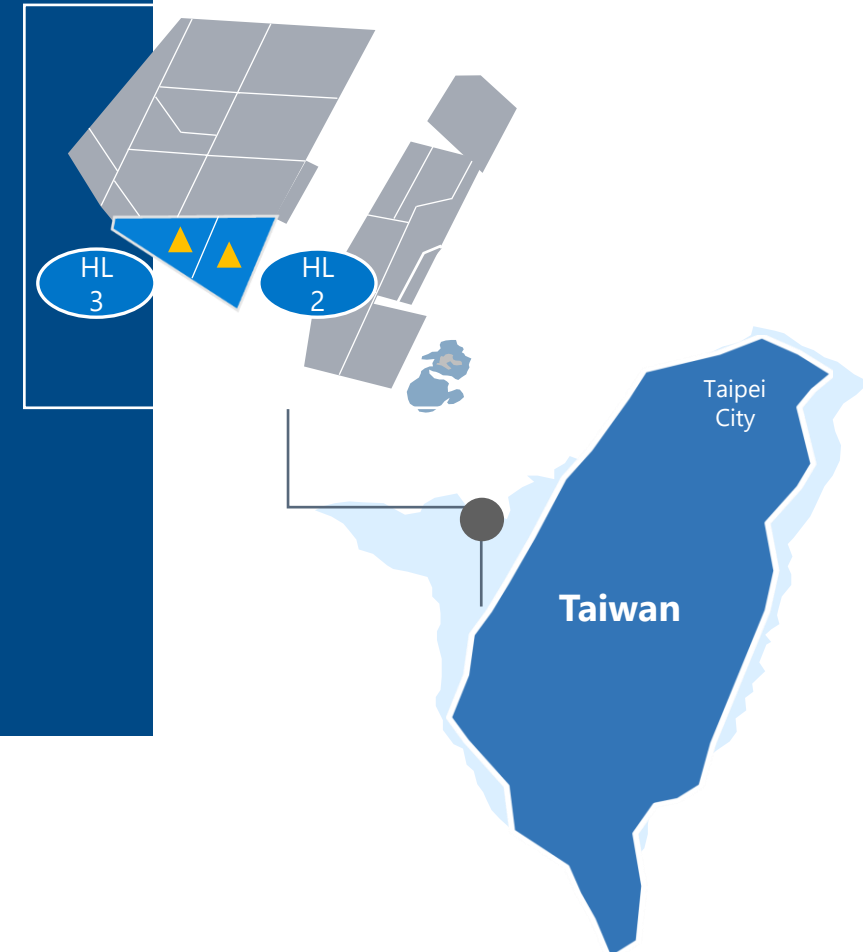
1. Represents total gross in development pipeline

# Hai Long

Progressing to financial close

## 1.0GW

- Hai Long comprises two adjacent sites: 532 MW Hai Long 2 and 512 MW Hai Long 3
- Localization plan obtained in 2021
- Tendering for main components concluded, preferred supplier agreements signed
- EIA amendment approved, allowing for 14MW turbines
- Main design works (turbine foundations, Offshore and onshore substations) and corresponding certification progressing well and on track, now well into the detailed design phase
- Launched project finance activities
- Commenced with sell-down process



### Timeline For Hai Long Development



# Asia Offshore Wind Development

Advancing milestones to facilitate growth and opportunities for future offshore wind



**Japan | 1.0 GW+  
early-stage  
Development portfolio**

**Announced entry into Japanese market in 2019 with Chiba project and followed up with membership in consortium to develop Katagami project in 2021.**

## **Isumi City, Chiba Prefecture**

- Developing in partnership with Shizen Energy and Tokyo Gas
- The Government designated the area as a Promising Area in the Round 3 announcement. Deployed a floating LIDAR to collect data on meteorological conditions alongside onshore measurements
- Completed offshore geotechnical and geophysical surveys and engineering work for the auction
- Continue work with the local communities and stakeholders to support the project

## **Katagami City, Akita Prefecture**

- Developing in partnership with Mitsui Co. Ltd, Osaka Gas and United Keikaku
- Up to 400 MW offshore wind capacity
- The Government designated the area as a Promising Area in the Round 3 announcement.
- Completed offshore geotechnical and geophysical surveys and engineering work for the auction
- Continue work with the local communities and stakeholders to support the project



# Asia Offshore Wind Development

Advancing milestones to facilitate growth and opportunities for future offshore wind



**South Korea | 1.6  
GW+ early/mid-  
stage development  
portfolio**

## **Acquired Dado Offshore Wind Corp. in February 2020**

### **Multiple early-stage development opportunities near Chodo Island**

#### **Dado**

- A 1GW+ mid-stage offshore wind project in-development
- Secured 2 out of 3 electricity business licenses (EBLs) which grant the priority development rights to Northland. The third EBL is expected in the summer of 2022
- First major permit on route to financial close. Gives Northland development exclusivity over the site area
- Team secured EBLs through gaining local community support for the project and wind data collection
- Project development is progressing and expecting to start offshore works, design and securing grid in 2022

#### **Bobae, Jindo County**

- 600 MW+ early-stage offshore wind development project
- Completed 12-months of onshore wind measurement for use in the initial EBL applications
- Submitted the initial EBL applications with results expected in the first half of 2022
- A floating LIDAR was deployed, wind data is under measurement and will be used to submit additional EBLs in 2022

# Onshore Renewables

Our onshore renewables strategy

## Onshore renewables present **an attractive growth opportunity** for Northland

- The industry is expected to grow at upwards of 10% per annum over the next decade.
- We continue to build local capabilities in development to ensure that sufficient resources are available in supporting functions
- **Growth in near-term cash flow**
- M&A will continue to play a role to grow presence in select markets
- Focus will be on key markets including the US Northeast, Southern and Eastern Europe and Colombia



# Onshore Renewables Strategy

## Targeted Approach

- ✓ Target limited number of high growth markets
- ✓ Create competitive positions on the ground
- ✓ Secure scale at local level



### Spain

- 57 GW market growth by 2030
- Northland is top ten operator
- Focus on development and M&A to grow platform



### EU Eastern Europe

- 22 GW market growth by 2030
- Capitalise on Northland "brand" created by Baltic Power
- Focus on development



### North East United States

- 50 GW market growth by 2030
- Established Northland development team
- Focus on development



### Colombia

- 8 GW market growth by 2030
- EBSA platform creates advantage
- Focus on development and M&A

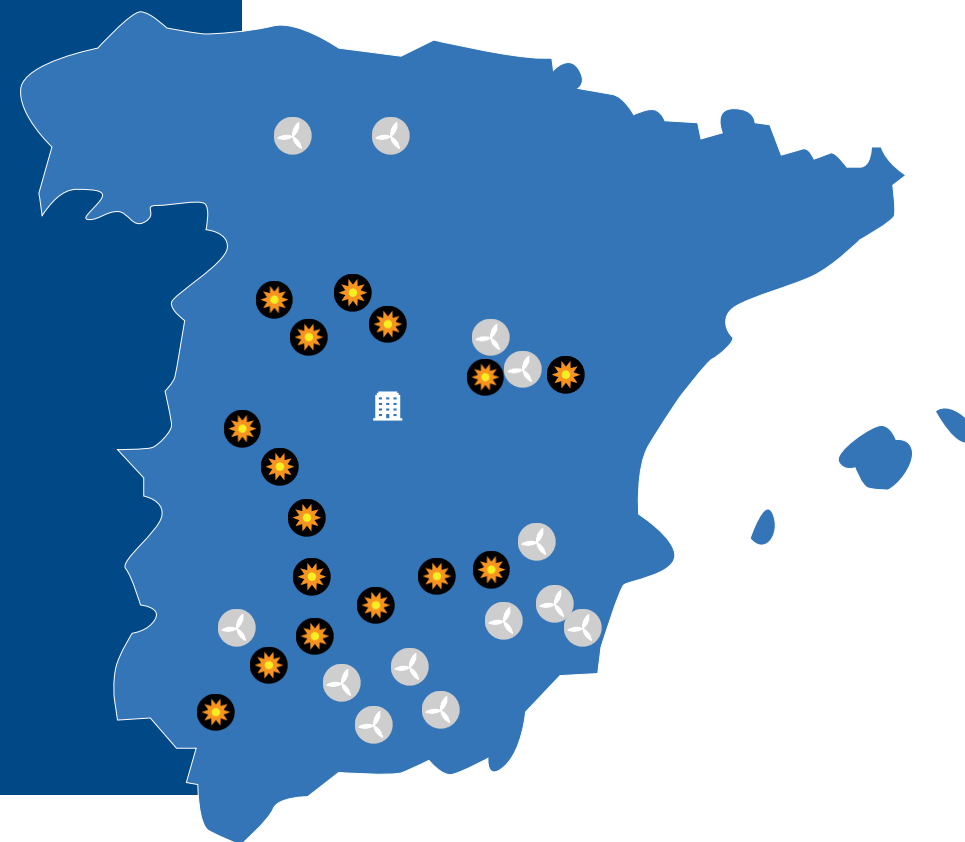
# Spain Onshore Renewables

Achieving Success in Onshore M&A



Execution on M&A strategy to secure near-term cash flow and establish new market

- Acquired a portfolio of 551 MW (net) of onshore renewables with a regulated tariff
- Delivers **near-term cash flow** which helps fund the development of Northland's large offshore wind projects
- Creation of a **European onshore renewables asset management platform**
- It places Northland immediately as a **top 10 operator** in the growing Spanish renewables market.
- Assets are supported with a regulated tariff with more than 13 years remaining of regulatory life



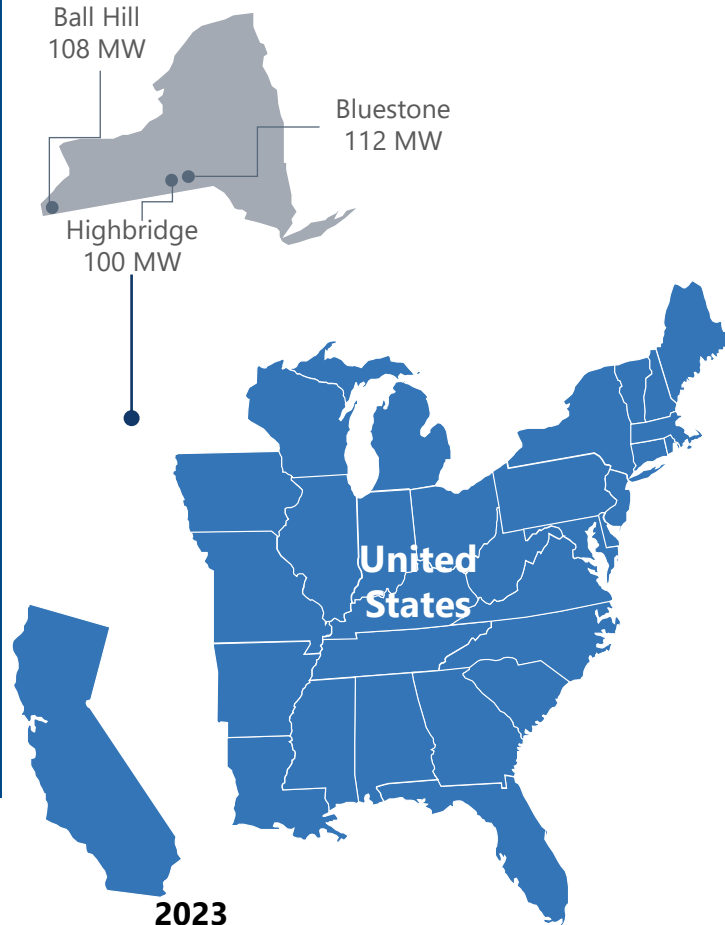
# United States

New York onshore wind

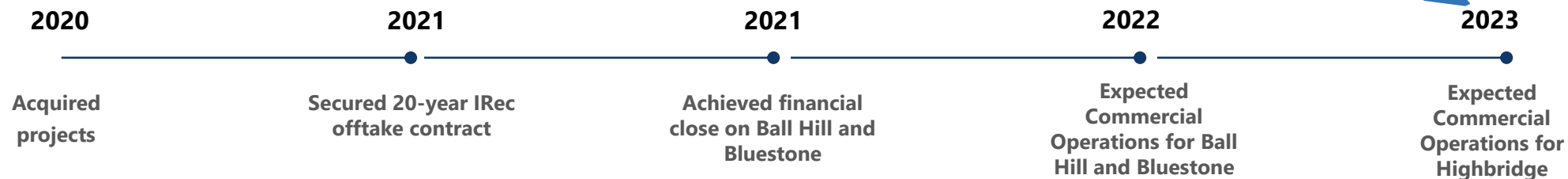


## 320 MW

- Acquired three New York onshore wind development projects in 2020. Projects expand Northland's North American portfolio by providing investment opportunities into the US renewables market
- Well positioned from a competitive standpoint relative to the state's wind development pipeline
- USD cash flows from stable and high demand market
- 320 MW potential capacity (Bluestone, Ball Hill and High Bridge)
- Secured 20-year indexed REC contract (CfD all-in PPA) with the New York State Energy Research and Development Authority
- Achieved financial close on Ball Hill and Bluestone in Q2 2021 and actively developing Highbridge



### Timeline For New York Wind Development



# Colombia Onshore Renewables

## Helios Solar Project Overview



# 16 MW

- 16 MW Solar project in Colombia
- First development project in Colombia to capitalize on EBSA's grandfathered rights, allowing it to expand into the energy generation market in Colombia
- Aim is to service the power needs of non-regulated municipal, commercial and industrial (C&I) customers
- Secured 12-year Power Purchase Agreement with EBSA
- Achieved financial close in Q2 2021, with first phase (10 MW) achieving COD in February 2022



### Timeline For Helios Solar Development





# Colombia Onshore Renewables

## Suba Solar Project Overview



# 130 MW

- Secured two solar projects in Colombian renewables auction with a combined capacity of 130 MW
- Developing in partnership with EDF Renewables through 50/50 joint venture
- Projects underpinned by 15-year Power Purchase Agreements with high quality Colombian energy distribution and commercial entities
- The PPAs will be denominated in Colombian pesos and will have annual indexation to the Colombian Producer Price index.
- In addition, the projects will receive a reliability charge in US dollars, which will account for approximately 10% of total revenues of the projects.



### Timeline For Suba Solar Development



# Utilities

High-quality Regulated Utility Business

Regulated utility provides **strategic value** to existing asset portfolio

- Sole distributor to a population of over 1.3 million; proven management team with local expertise
- Operates under regulatory framework with an average approved WACC of approximately 11.5%
- RAB is expected to grow at a rate in excess of inflation
- Other key regulatory features including RAB inflation indexation, a five-year planning cycle and limited to no demand risk
- Provides a measure of stability and predictability to Free Cash Flow
- Reduces concentration risk as well as exposure to re-contracting and merchant power price risk



# Colombia

## EBSA Utility

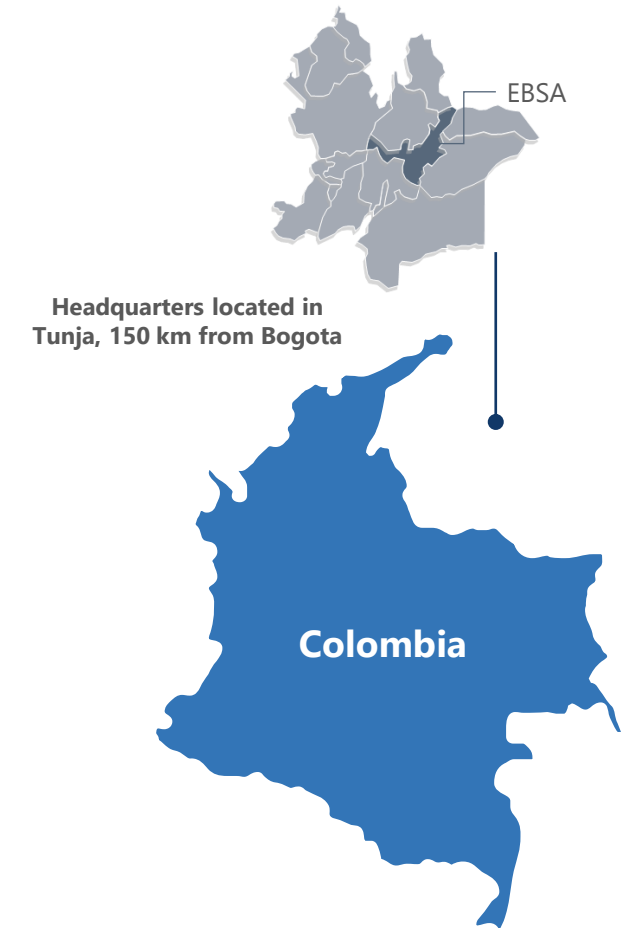


- Provided Northland with a platform to drive future opportunities in Colombia and Latin America
  - EBSA is one of a few energy companies in Colombia with favourable grandfathered rights allowing for vertical integration across all segments of the electricity market
  - In addition to the growth in the distribution segment approved by regulators, EBSA is able to add additional growth projects in Boyacá to its RAB

### Key Operating Metrics

<b>105</b> Substations	<b>COP 1,670 Bn RAB</b> (C\$ 622M)	<b>1.7 TWh</b> Energy Distributed
<b>503,000</b> Regulated Clients	<b>573</b> Full Time Employees	<b>915 MVA</b> 220kV/115kV

Distribution	Regulated revenue subject to revenue cap and five-year tariff review process – No volume risk
Commercialization	Power retailer for 100% of regulated clients in Boyacá and 44% market share of commercialization segment
Transmission	Operator of 790km of national and regional transmission lines and 18 substations; fixed annual revenue for 25 years



A photograph of a wind turbine blade extending from the foreground into the sky. The blade is white and sleek. In the background, there are rolling green hills and several other wind turbines. The sky is filled with large, grey, dramatic clouds. A bright green rectangular banner is overlaid on the left side of the image, containing the text 'FINANCIAL OVERVIEW' in white, bold, sans-serif capital letters.

# **FINANCIAL OVERVIEW**

# Long-term financial objectives

Maintaining flexibility, adding corporate funding tools to diversify sources of capital, preserving low cost of capital and investment grade balance sheet are key to the successful growth execution of Northland, to ultimately drive growth in FCF/AFCF per share



## **BBB (Stable)**

Maintain investment grade balance sheet to support growth



## **\$12-15B<sup>1</sup> pipeline**

Maintain flexibility to fund Capitalized Projects costs



## **7-10% CAGR by 2027**

Significant growth in adj. EBITDA expected on completion of Capitalized Growth Projects

1. Represents the total gross capital costs of the ~3 GW capitalized growth projects.

# Committed to prudent capital structure and investment grade rating

Commitment to investment grade credit rating and continued balance sheet strength

Corporate Credit Ratings	
S&P	Fitch
BBB (Stable) (since 2013)	BBB Stable (since fall 2021)

- Strong financial condition supported by investment grade ratings
- Growth investments funded
  - First with non-recourse debt (65-75%) to match revenue contract (PPA) life
  - With sources of capital selected and sized to maintain our investment grade credit rating
- Diversified model provides stability to free cash flow
- ~93% of revenues are contracted through long-term PPAs



# Financial Strategy

Disciplined and flexible approach to project funding



## Project Funding

Northland Equity  
Sell-Down Partner Equity  
Sell-Down Premium  
Senior Debt  
Green Corporate Hybrids

- The Company manages its capital strategy with a high degree of selectivity in funding its capitalized growth projects
- Focused on maintaining an investment grade rating
- Credit facilities support short-term funding needs with borrowings repaid from project financings at financial close, corporate and/or project-level financing/re-financing optimizations and/or sell downs at or before financial close
- Free Cash Flow finances growth development expenditures (devex), corporate costs that support growth and new initiatives
- Partial sell-down of ownership interests in certain development assets on or before financial close to complement existing sources of funding
- Additional funding sources help improve Northland's financial flexibility, while supporting the capital and credit requirements for development projects.

# Strong Balance Sheet will Support Growth

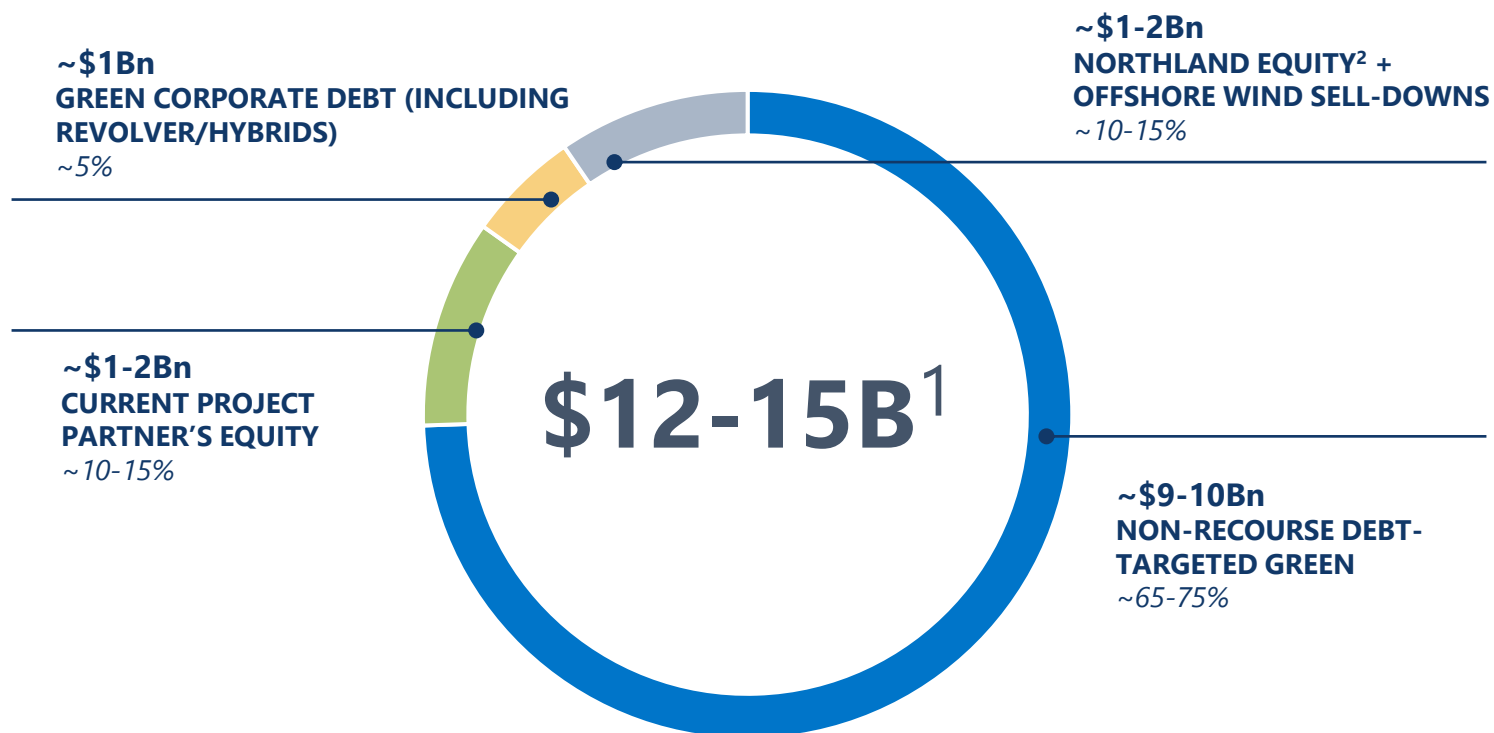
Illustrative Capital Funding Plan of Capitalized Growth projects Over Next Five Years



## Illustrative Funding Plan for Capitalized Projects (2022-2026)

### Key takeaways:

- Achievable funding plan given the **diverse sources of capital available at corporate and asset level**
- Continuing to **diversify our tool kit & partner prospects** to achieve optimal cost of capital



1. The capital funding plan is based on recent estimates of total capital costs for Capitalized Growth Projects, that Northland has publicly disclosed. The chart illustrates potential sources of funding that is subject to change/update.

2. Northland intends to fund common equity portion through a combination of cash on hand, proceeds from financings/optimizations of existing facilities and new share issuances

# Sustainable Finance

Adding Financial Optionality to Portfolio



Green Financing allows Northland to diversify and optimize additional sources of capital to fund growth plan



## Green Financings

Targeting all of our project finance debt to be green, where possible

Executed first green financing with New York wind projects

Additional green financing for Helios solar in Colombia



## \$1Bn+ Credit Facility with sustainability linked KPIs

Renewable Energy (%) in Generation Portfolio

Carbon intensity of assets



## Green Bonds

Up to \$1Bn included in 5-year capital plan

Prepare to issue inaugural green bond or hybrid bond over the next 12-18 months

# 2022 Financial Guidance

Adjusted EBITDA and Free Cash Flow



Adjusted EBITDA

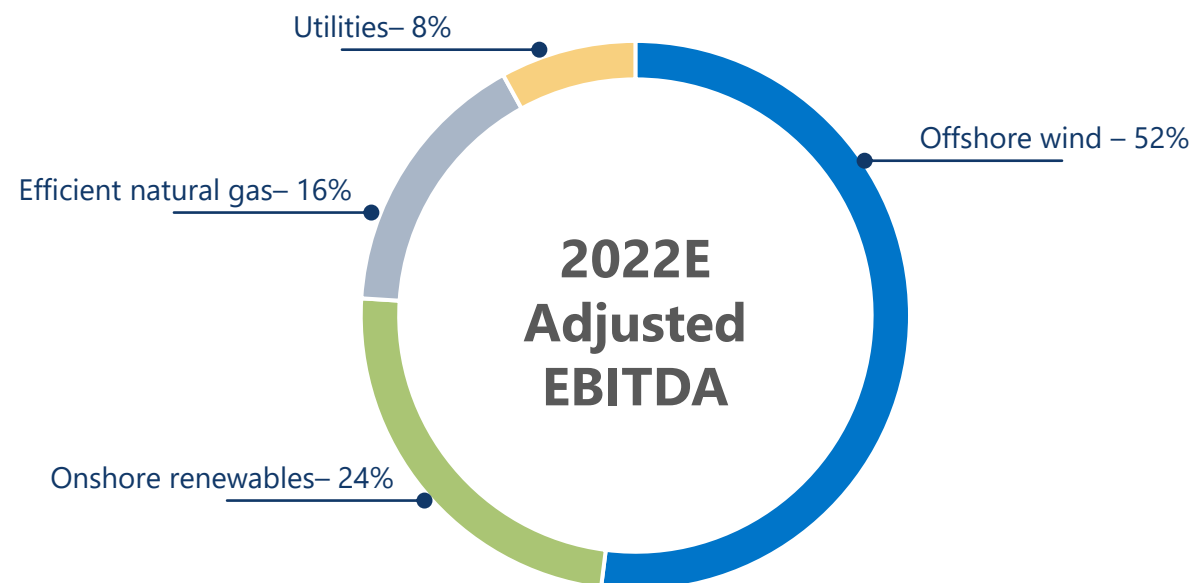
**\$1.15 to \$1.25  
Billion**

Free Cash Flow (incl. growth expenditures)

**\$1.20 to \$1.40  
Per Share**

Adjusted Free Cash Flow (excl. growth expenditures)

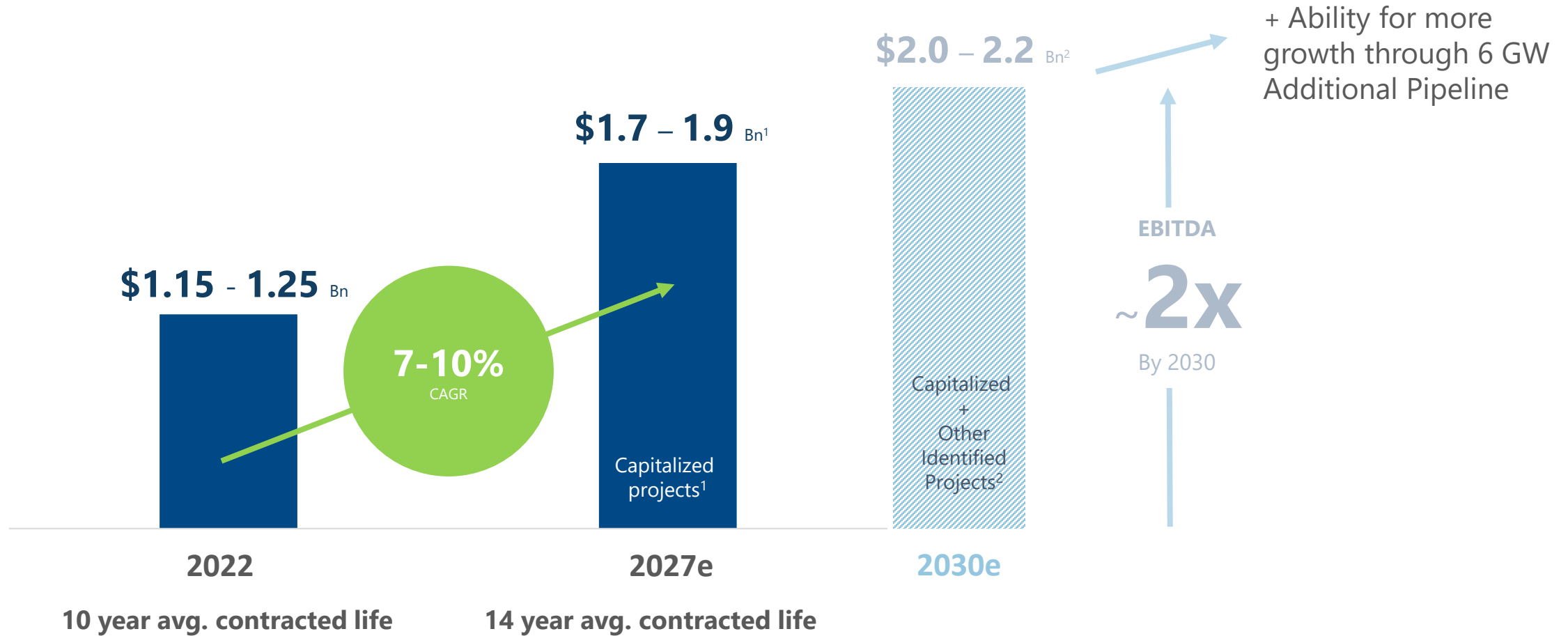
**\$1.65 to \$1.85  
Per Share**



The current financial guidance excludes any gains that could be realized on asset-level sell-downs

# Strong annual EBITDA growth

Capitalized Growth Projects will increase EBITDA and Quality of Cash Flow through 2027+



1. 2027 includes contributions from capitalized growth projects only (Hai Long, Baltic Power, Suba, Nordsee Two and High Bridge)
2. 2030 also includes contributions from identified growth projects (Dado, Chiba, N3 and Delta) in addition to capitalized projects

# Northland's Competitive Positioning

Northland is well positioned to capitalize on market growth opportunities

## Growth Pipeline Moves Toward Financial Close

### **Global De-carbonization movement is accelerating**

Significant growth in renewables expected to offer immense opportunities for Northland

### **2.9 GW of development projects will be de-risked over next 24 months**

Provides certainty to costs as projects approach financial close

### **Proven ability to enter new markets and establish competitive position**

Established teams in key markets provide local presence to generate growth opportunities

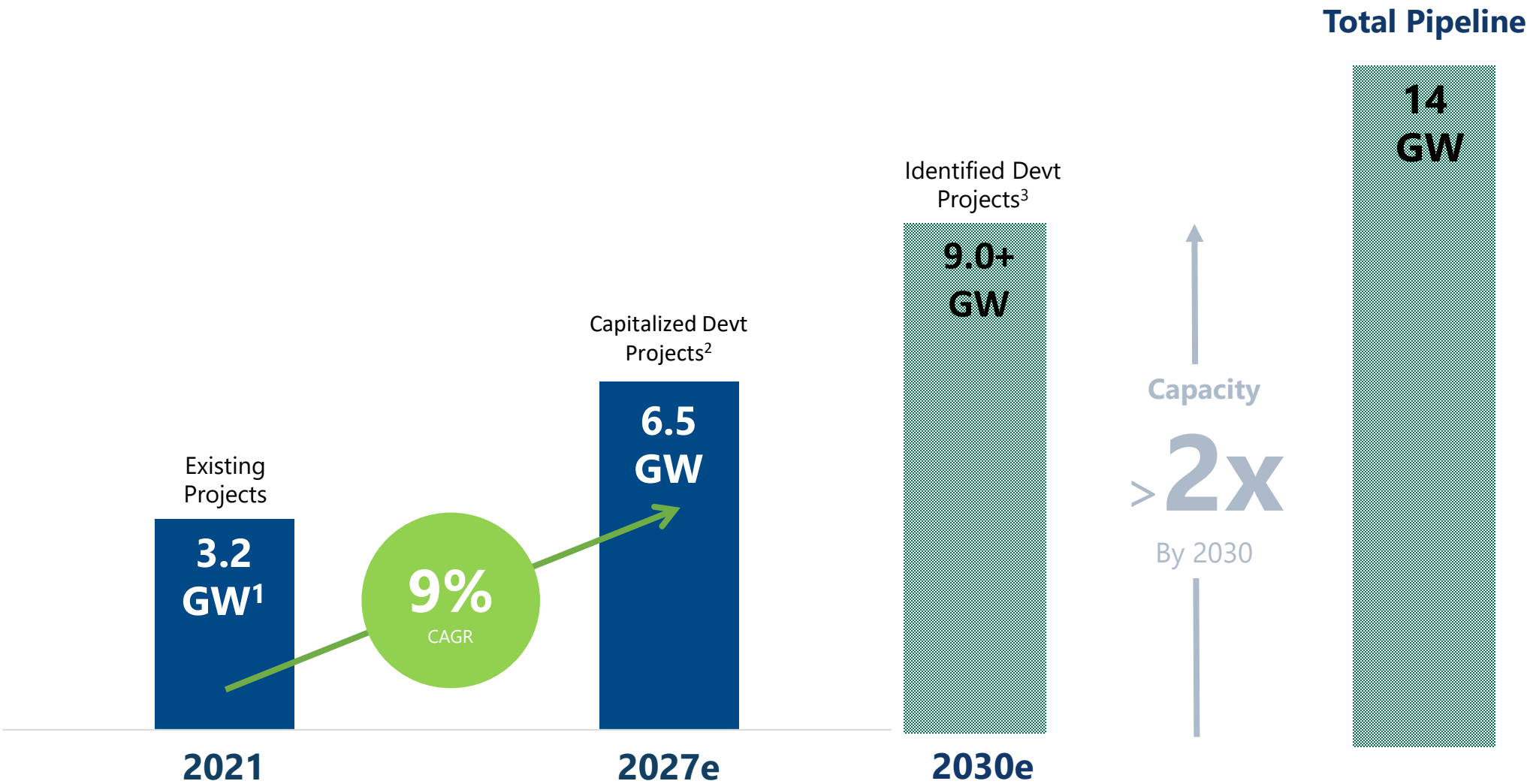
### **Capital plan to support growth**

Prudent capital strategy with multiple levers to support continued growth of business



# Looking Forward

Northland's identified development projects to deliver substantial growth



1. Based on installed gross capacity and before any potential sell downs  
2. 2027 includes contributions from capitalized growth projects only (Hai Long, Baltic Power, Suba, Nordsee Two and High Bridge)  
3. 2030 also includes contributions from identified growth projects (Dado, Chiba, N3 and Delta) in addition to capitalized projects





# APPENDIX



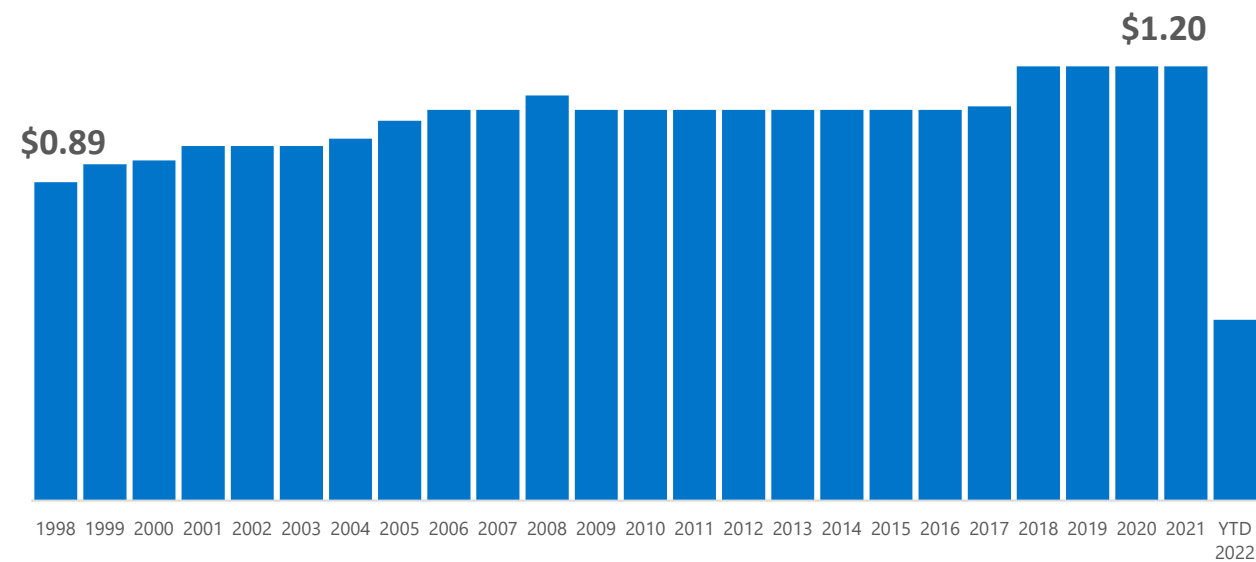
# Shareholder Returns

Track Record of Strong Returns to Shareholders

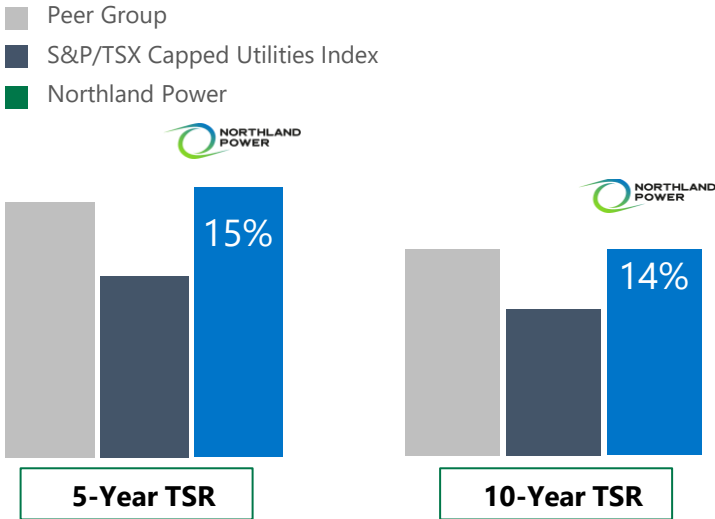


*An investor who invested in the IPO in 1987 would have realized a total return of over 2,200 %<sup>1</sup>*

Annual Dividends (Distributions) per share



Total Shareholder Returns



1. As at May 18, 2022 and assumes reinvestment of dividends

1. Canadian IPP Peer Group includes Algonquin Power, Boralex, Brookfield Renewable, Capital Power, Innergex, and TransAlta.  
2. As at May 18, 2022.

# Market Summary



## Key Metrics<sup>1</sup>

Recent Share Price (TSX: NPI)	\$38.31
Shares (Common)	231 million
Annual Dividend	\$1.20
2022 EBITDA Guidance	\$1.15 – \$1.25 Billion
2021 FCF/sh Guidance	\$1.20 – \$1.40
2021 Adjusted FCF/sh Guidance	\$1.65 - \$1.85
Total Debt, Net of Cash <sup>2</sup>	\$6.0 billion
Preferred Shares (NPI.PR.A, NPI.PR.B, NPI.PR.C)	\$236 million
Market Capitalization (Common)	\$8.9 billion
Enterprise Value	\$14.3 billion
Credit Rating (S&P) <sup>3</sup>	BBB Stable
Fitch Rating <sup>4</sup>	BBB Stable

1. Market data as at June 2, 2022 unless stated otherwise.

2. As at March 31, 2022

3. Reaffirmed in March 2022

4. Received in September 2021

# European Offshore Wind

## Facility Details



	Gemini	Nordsee One	Deutsche Bucht
Capacity	600 MW	332 MW	252 MW
Distance to Shore	85km	40km	95km
Wind Turbines	150 x Siemens 4 MW	54 Senvion x 6.15 MW	31 x MHI Vestas 8MW
Turbine Foundation	Monopile	Monopile	Monopile
Water Depth	28m to 36m	26m to 29m	39m to 41m
Total Project Costs	€2.8 Billion	€1.2 Billion	€1.5 Billion
Revenue Contract Type	Contract for Differences (CFD) (FiT-Type)	Feed in tariff	Feed in tariff
Revenue Contract Term	15 years	~10 years	~13 years
Revenue Contract Price	~€169/MWh [No escalation]	€194/MWh for 8 years, €154/MWh for 1.5 years [No escalation]	€184/MWh for 8 years, €149/MWh for 4.7 years [No escalation]
Grid Connection Responsibility	Gemini responsible for connection to shore	Tennet responsible for connection to shore	Tennet responsible for connection to shore
NPI Ownership	60%	85%	100%

# Northland's Operating Assets

On-time and on-schedule project execution



Project	Technology	Location	Gross Capacity	Ownership	Expiry PPA Term	Construction (On-time/on-budget)
Gemini	Offshore Wind	Netherlands	600 MW	60%	2032	✓
Nordsee One	Offshore Wind	Germany	332 MW	85%	2027	✓
Deutsche Bucht	Offshore Wind	Netherlands	252 MW	100%	2031	✓ (Base Plant)
Mont Louis	Onshore Wind	QC, CA	100 MW	100%	2031	✓
Jardin d'Éole	Onshore Wind	QC, CA	134 MW	100%	2029	✓
McLean's Mountain	Onshore Wind	ON, CA	60 MW	50%	2034	✓
Grand Bend	Onshore Wind	ON, CA	100 MW	50%	2036	✓
Ground-Mount Solar	Solar	ON, CA	130 MW	100% (90 MW) 63% (40 MW)	2033-2035	✓ x
Thorold	Efficient Natural Gas	ON, CA	265 MW	100%	2030	✓
Spy Hill	Efficient Natural Gas	SK, CA	86 MW	100%	2036	✓
North Battleford	Efficient Natural Gas	SK, CA	260 MW	100%	2033	✓
Kirkland Lake	Efficient Natural Gas	ON, CA	132 MW	87% <sup>1</sup>	2030	✓
EBSA	Regulated Distribution Utility	Colombia	n/a	99%	Perpetual	n/a
Spain Portfolio <sup>2</sup>	Onshore Wind/Solar/Concentrated Solar Power	Spain	560 MW	99%	2031	n/a

1. Northland has an effective 87% residual economic interest

2. Closed August 11, 2021

# Project Pipeline

Nearly 8 GW of capitalized and identified projects to support growth to 2030



Project	Location	Technology	Size	Northland Current Ownership	Status	Contract Type	Est. COD
Capitalized Growth Projects							
Hai Long	Taiwan	Offshore Wind	1,044MW	60%	Late-Stage Development	20-yr PPA	2026/2027
Baltic Power	Poland	Offshore Wind	Up to 1,200MW	49%	Mid/Late –Stage development	20-yr PPA	2026
Nordsee Two	Germany	Offshore Wind	433MW	49%	Mid–Stage development	TBD	2026
Suba	Colombia	Solar	130MW	50%	Late-Stage Development	15-yr PPA	2023
Highbridge	United States	Onshore Wind	100MW	100%	Mid/Late –Stage development	20-yr PPA	2023
Total Capitalized Growth Projects			2,907 MW				
Identified Projects							
Nordsee Three	Germany	Offshore Wind	420MW	49%	Mid-Stage Development	COD 2027 – 2030+	
Nordsee Delta	Germany	Offshore Wind	480MW	49%	Mid-Stage Development		
Chiba	Japan	Offshore Wind	600MW	50%	Early/Mid-Stage Development		
Dado	South Korea	Offshore Wind	Up to 1000MW	100%	Early/Mid-Stage Development		
Scotwind	Scotland	Offshore Wind	2340MW	100%	Early-Stage Development		
Hecate	Canada	Offshore Wind	400MW	100%	Early-Stage Development		
Total Identified Projects			5,240MW				
Additional Pipeline							
Various			~5,900MW	Early-Stage Development			
Total Pipeline (Capitalized + Identified + Additional)			~14,000MW				

# Onshore Renewables

Our onshore business continues to grow to supplement growth in offshore wind



Our onshore strategy will provide nearly **1.2 GW of near-term growth** to complement growth from our offshore wind portfolio

Project	Technology	Size	Status	COD
Spain	Solar and wind	551MW	Operational	
La Lucha	Solar	130MW	Construction	2022
Ball Hill and Bluestone	Wind	220MW	Construction	2022
High Bridge	Wind	100MW	Development	2023
Helios	Solar	16MW	Construction	2022
Suba	Solar	130MW	Development	2023
		1,147MW		

# Forward looking statement



This written and accompanying oral presentation contains certain forward-looking statements which are provided for the purpose of presenting information about management's current expectations and plans. Readers are cautioned that such statements may not be appropriate for other purposes. Northland's actual results could differ materially from those expressed in, or implied by, these forward-looking statements, and accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur. Forward-looking statements are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "predicts", "believes", "estimates", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions or future or conditional verbs such as "may", "will", "should", "would" and "could".

These statements may include, without limitation, statements regarding future adjusted EBITDA, free cash flow, adjusted free cash flow, dividend payments and dividend payout ratios; the construction, completion, attainment of commercial operations, cost and output of development projects; litigation claims; plans for raising capital; and the future operations, business, financial condition, financial results, priorities, ongoing objectives, strategies and outlook of Northland and its subsidiaries. These statements are based upon certain material factors or assumptions that were applied in developing the forward-looking statements, including the design specifications of development projects, the provisions of contracts to which Northland or a subsidiary is a party, management's current plans and its perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances.

This presentation contains forward-looking statements and information, within the meaning of Canadian securities laws and in any applicable Canadian securities regulations, concerning the business and operations of Northland Power Inc. 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 presentation include statements regarding the quality of Northland's assets and the resiliency of the cash flow they will generate, Northland's anticipated financial performance and payout ratio, future commissioning of assets and expected returns from such assets, technology diversification, acquisition opportunities, expected completion of acquisitions, contract, contract counterparties, operating performance, variability of renewable resources and climate change, offshore wind concentration risk, market power prices, fuel supply, transportation and price, operations and maintenance, permitting, construction, development prospects and advanced stage development, financing and refinancing opportunities, certain information regarding the company's expected cash flow profile and liquidity, liquidity, credit rating, currency fluctuations, variability of cash flows and potential impact on dividends, taxes, natural events, environmental, health and safety, government regulations and policy, international activities, relationship with stakeholders, reliance on information technology, reliance on third parties, labour relations, insurance, co-ownership, bribery and corruption, legal contingencies, future energy prices and demand for electricity, economic recovery, project development and capital expenditure costs, energy policies, economic growth, growth potential of the renewable asset class, the future growth prospects and distribution profile of Northland Power and its access to capital and the other factors described in Northland's 2021 Annual Report and 2021 Annual Information Form, which are both filed electronically at [www.sedar.com](http://www.sedar.com) and Northland's website [www.northlandpower.com](http://www.northlandpower.com).

All figures are presented in Canadian dollars unless otherwise indicated. Unless otherwise indicated, the statistical and financial data in this presentation is presented as of June 2, 2022.

# Reporting of Non-IFRS Financial Measures



This investor presentation includes references to Northland's adjusted EBITDA and free cash flow, measures not prescribed by International Financial Reporting Standards (**IFRS**). Adjusted EBITDA and free cash flow, as presented, may not be comparable to other similarly-titled measures presented by other publicly-traded companies, as these measures do not have a standardized meaning under IFRS. These measures should not be considered in isolation or as alternatives to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. These measures are also not necessarily indicative of operating income or cash flows from operating activities as determined under IFRS. Rather, these measures are provided to complement IFRS measures in the analysis of Northland's results of operations and are used by management to evaluate the performance of the company for internal assessment purposes. Management believes that adjusted EBITDA and free cash flow are widely-accepted financial indicators used by investors to assess the performance of a company. These measures provide investors with additional information to assist them in understanding these critical components of the company's financial performance, including its ability to generate cash through its current operations. These measures have been applied consistently for all periods presented in this document.

## **Adjusted EBITDA**

Adjusted EBITDA provides investors with an indication of Northland's capacity to generate income from operations and investments before taking into account management's financing decisions and the costs of consuming tangible and intangible capital assets, which vary according to asset type and management's estimate of their useful lives.

Adjusted EBITDA is calculated as income (loss) before income taxes adjusted for depreciation of property, plant and equipment, amortization of contracts and other intangible assets, net finance costs, Gemini subordinated debt earned by Northland, fair value losses (gains) on derivative contracts, unrealized foreign exchange losses (gains), elimination of non-controlling interests and finance lease and equity accounting.

## **Free cash flow**

Free cash flow is calculated as cash flow provided by operating activities adjusted for net change in non-cash working capital balances, capital expenditures, interest paid, scheduled principal repayments on term loans, funds set aside for scheduled principal repayments and for asset purchases, restricted cash (funding) for major maintenance, write-off of deferred development costs, consolidation of managed facilities, income from equity accounted investments, proceeds from sale of assets, and preferred share dividends. This measure, along with cash flow provided by operating activities, is considered to be a key indicator for investors to understand Northland's ability to generate cash flow from its current operations.

## **Adjusted Free Cash Flow**

Commencing with the 2020 Annual Report, Northland introduced Adjusted Free Cash Flow, a supplementary non-IFRS Free Cash Flow measure, and associated per share amounts and payout ratios. Adjusted Free Cash Flow is calculated by excluding growth-related expenditures from Free Cash Flow. Management believes this measure provides a relevant presentation of cash flow generated from the business before investment-related decisions (refer to Section 4.3: Growth Expenditures for additional information). Management believes Adjusted Free Cash Flow is a meaningful measure of Northland's ability to generate cash flow, after on-going obligations, to reinvest in growth and fund dividend payments. The Free Cash Flow and adjusted payout ratios, calculated using Free Cash Flow and Adjusted Free Cash Flow, respectively, demonstrate the proportion of the respective measure paid as dividends, whether in cash, or in shares under Northland's dividend reinvestment plan (DRIP). The net payout ratios indicate the proportion of Free Cash Flow paid as cash dividends. The payout ratios generally reflect Northland's ability to fund growth-related expenditures and sustain dividends.

Readers should refer to our MD&As accompanying our financial statements for an explanation of adjusted EBITDA and free cash flow, and for a reconciliation of Northland's reported adjusted EBITDA to its consolidated income (loss) before taxes and a reconciliation of Northland's free cash flow to its cash provided by operating activities. These are filed from time to time on our company's website [www.northlandpower.com](http://www.northlandpower.com)





**Northland Power**

30 St. Clair Avenue West,  
12<sup>th</sup> Floor  
Toronto, ON Canada M4V 3A1



**Wassem Khalil**

Senior Director Investor Relations & Strategy  
647.288.1019



**Email:** [investorrelations@northlandpower.com](mailto:investorrelations@northlandpower.com)

**Website:** [northlandpower.com](http://northlandpower.com)