



Disciplined Growth in Markets with Attractive Renewable Energy Programs



Investor Presentation
BLX – Toronto Stock Exchange

October 2020



Disclaimer

Forward-looking statements

Some of the statements contained in this presentation including those regarding future results and performance strategic plan business model growth strategy revenues diversification optimization development in the solar sector and storage expansion of targeted customers through signature of contracts directly with companies consuming electricity sale of minority interests and 2023 financial objectives are forward-looking statements based on current expectations within the meaning of securities legislation.

Boralex would like to point out that by their very nature forward-looking statements involve risks and uncertainties such that its results or the measures it adopts could differ materially from those indicated by or underlying these statements or could have an impact on the degree of realization of a particular forward-looking statement.

Unless otherwise specified by the Corporation the forward-looking statements do not take into account the possible impact on its activities transactions non-recurring items or other exceptional items announced or occurring after the statements are made. There can be no assurance as to the materialization of the results performance or achievements as expressed or implied by forward-looking statements. The reader is cautioned not to place undue reliance on such forward-looking statements.

Unless required to do so under applicable securities legislation Boralex management does not assume any obligation to update or revise forward-looking statements to reflect new information future events or other changes.

Combined basis – Non-IFRS measure

The combined information ("Combined") presented above and in the MD&A of the Corporation resulted from the combination of the financial information of Boralex Inc. ("Boralex" or the "Corporation") under IFRS and the share of the financial information of the Interests. The Interests represent significant investments by Boralex and although IFRS does not permit the consolidation of their financial information within that of Boralex management considers that information on a Combined basis is useful data to evaluate the Corporation's performance. In order to prepare the Combined information Boralex first prepares its financial statements and those of the Interests in accordance with IFRS. Then the Interests in Joint Ventures and associates Share in earnings of the Joint Ventures and associates and Distributions received from the Joint Ventures and associates line items are replaced by Boralex's respective share (ranging from 50% to 59.96%) in the financial statement items of the Interests (revenues expenses assets liabilities etc.). See the *Non-IFRS measures* section in the Second Quarter 2020 Interim Report for more information.

Other non-IFRS measures

This presentation contains certain financial measures that are not in accordance with International Financial Reporting Standard ("IFRS"). In order to assess the performance of its assets and reporting segments Boralex uses the terms "EBITDA" "EBITDA(A)" "cash flows from operations" "net debt ratio" "discretionary cash flows" and "payout ratio". For more information please refer to Boralex's MD&A.

General

The data expressed as a percentage is calculated using amounts in thousands of dollars.



Agenda

Why Invest in Boralex?

- 1. A Pure Play in Renewable Energy with Strong ESG Profile.**
- 2. Focused on Markets with Attractive Renewable Energy Programs.**
- 3. A Well-Defined Strategic Plan with Strong and Disciplined Growth Potential**
- 4. Successful Execution of the Strategic Plan while not being Materially Impacted by COVID-19.**
- 5. Solid Financial Position, Predictable Cash Flows with 97% of Production Secured by long-term Contracts and 40-60% Dividend Payout Ratio.**



Boralex's History



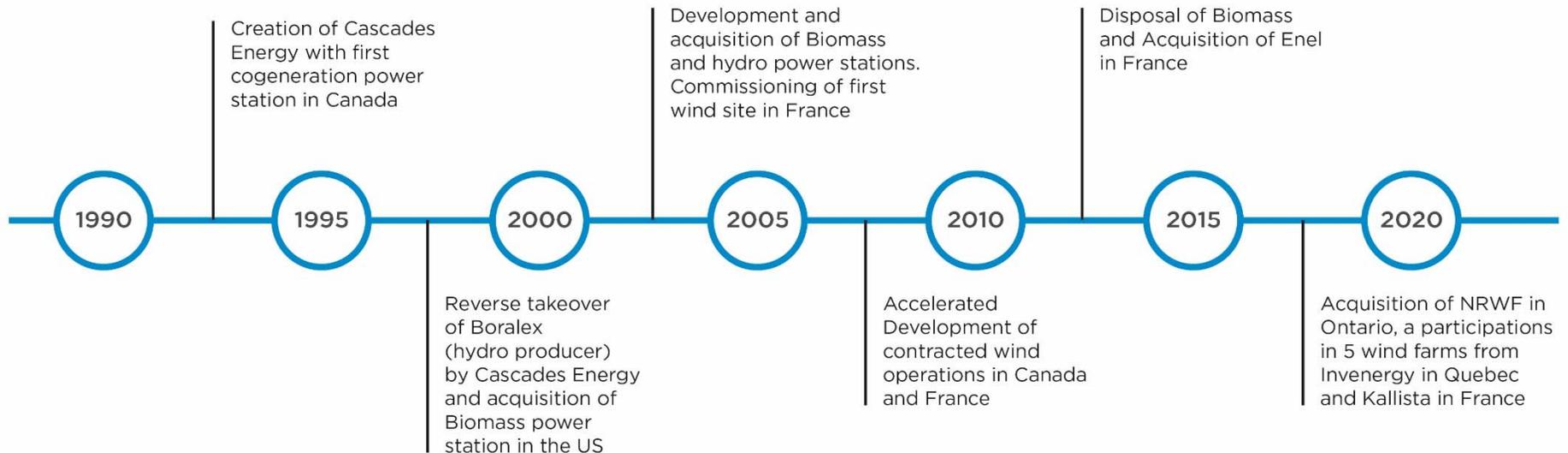
TEAM SPIRIT
Demonstrate that we are better together

COMMUNICATION
Be open to meaningful and ongoing dialogue

RESPECT
Show consideration guided by the principles of sustainable development

CREATIVITY
Making great strides with ingenuity

ENTREPRENEURSHIP
Think and act proactively and with flexibility

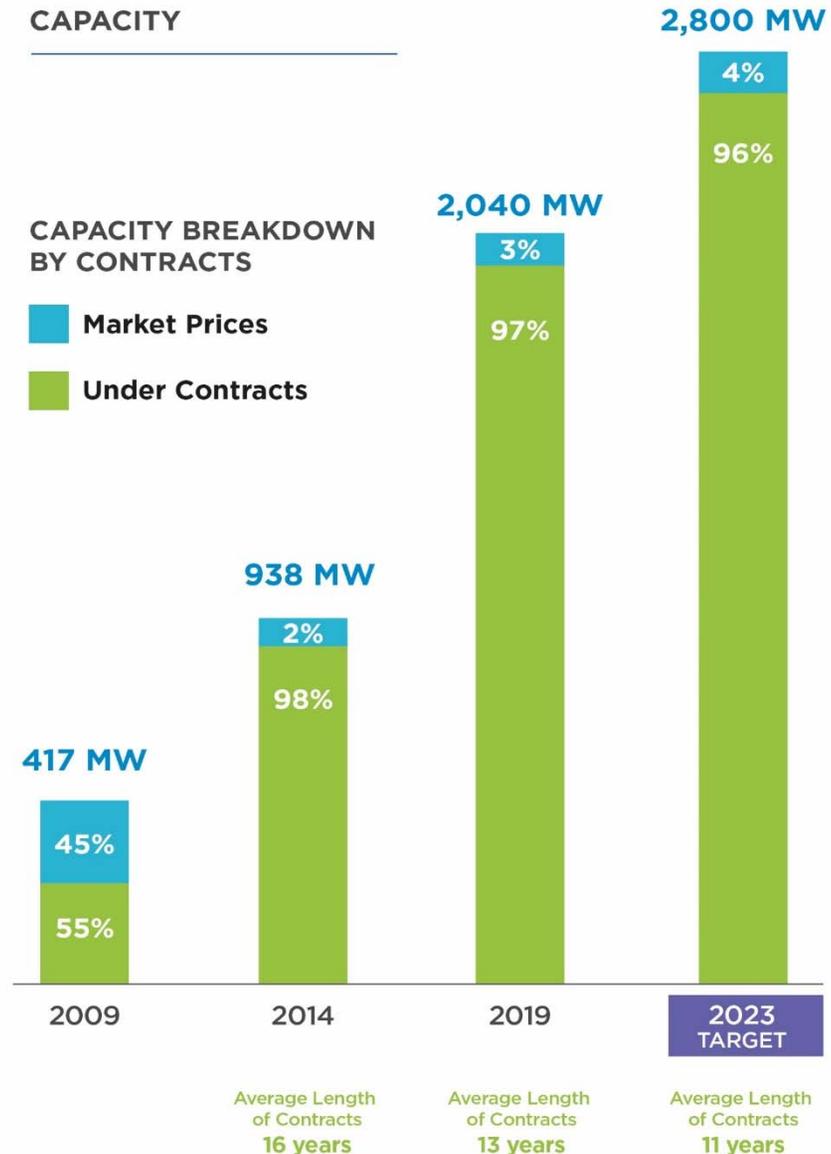




1. Strong Growth in Contracted Renewable Business

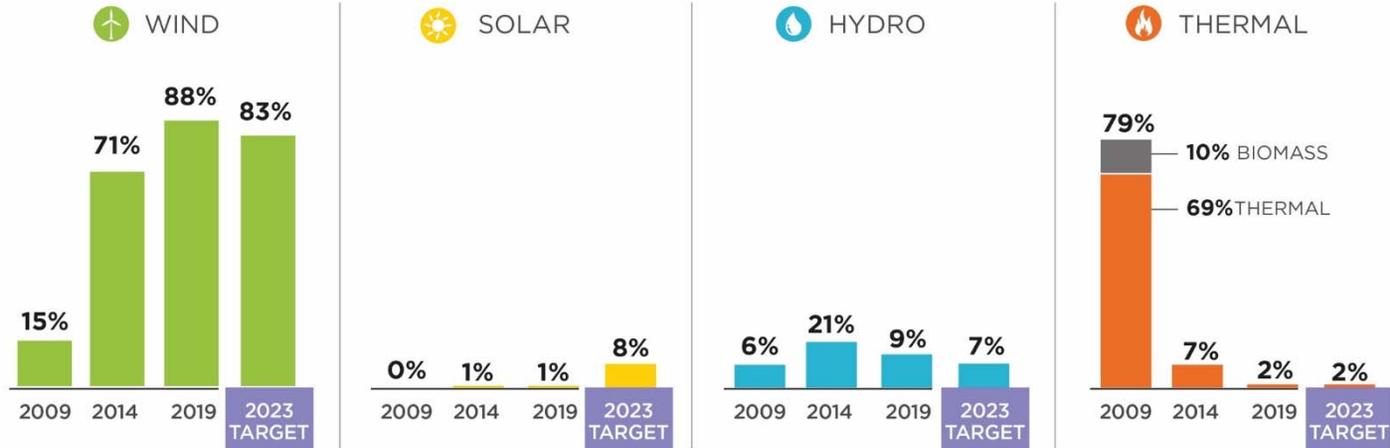
97 % of capacity under contracts with an average remaining length of 13 years

Boralex has a robust business model based on income derived from long-term contracts with corporations that have strong financial positions (Hydro Quebec, EDF, Ontario ISO, BC Hydro, NYISO)

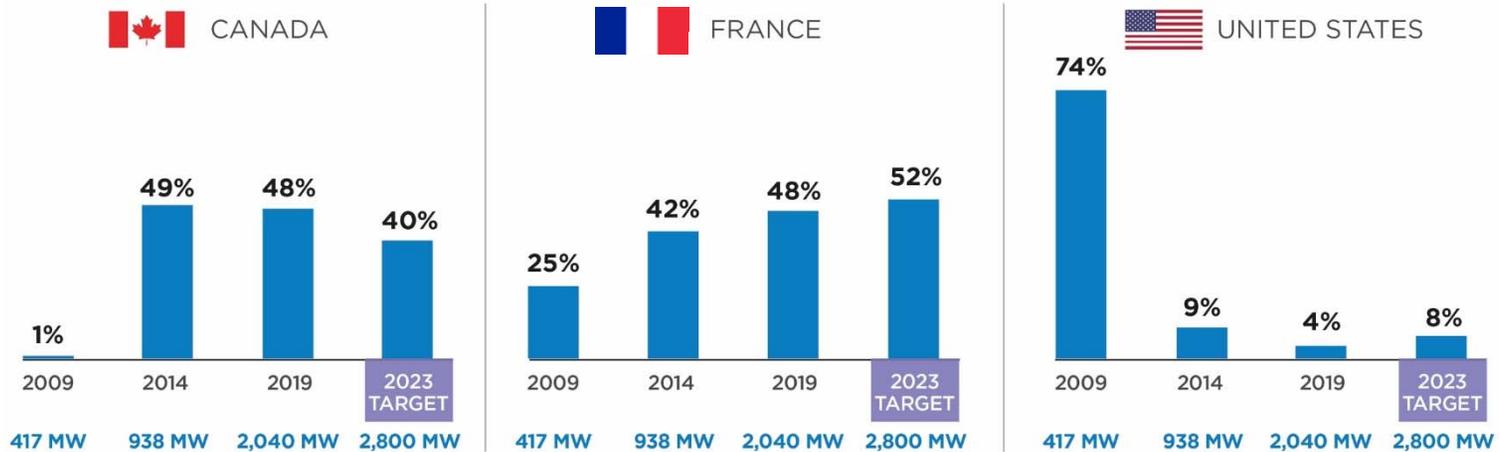


1. A Pure Play in Renewable Industry

CAPACITY BREAKDOWN BY OPERATING SEGMENT



CAPACITY BREAKDOWN BY GEOGRAPHIC SEGMENT





1. Growing Organically and through Acquisitions

Boralex more than doubled in size in the past 5 years



Growing the Boralex Way

1. Success in developing small to mid-size projects.
2. Focused in markets with ambitious targets for renewable energy and more complex development processes creating barriers to entry for larger players.

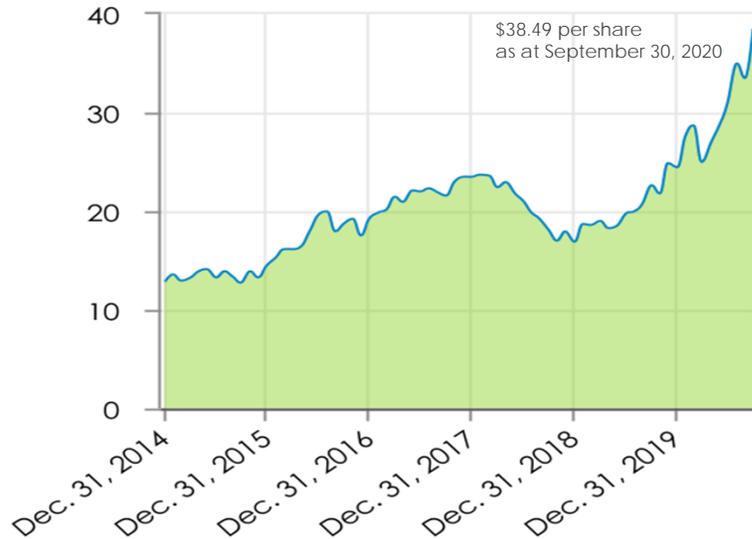
1. Profitable and Sustainable Growth

Stock price

(Monthly closing price in Canadian dollars)

Compound annual growth rate: 21%

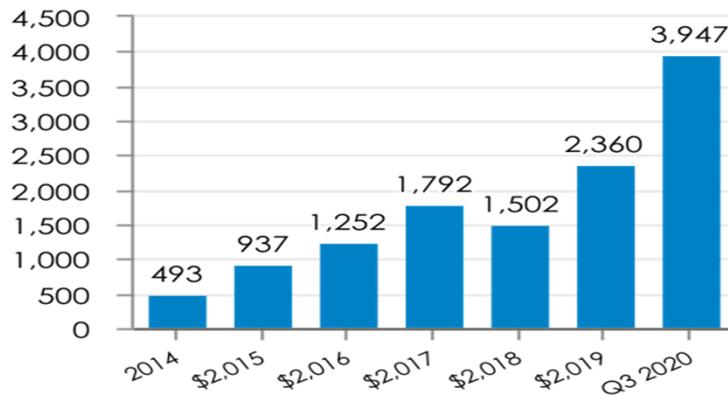
(Toronto Stock Exchange under the ticker BLX)



Market capitalization

(in millions of Canadian dollars)

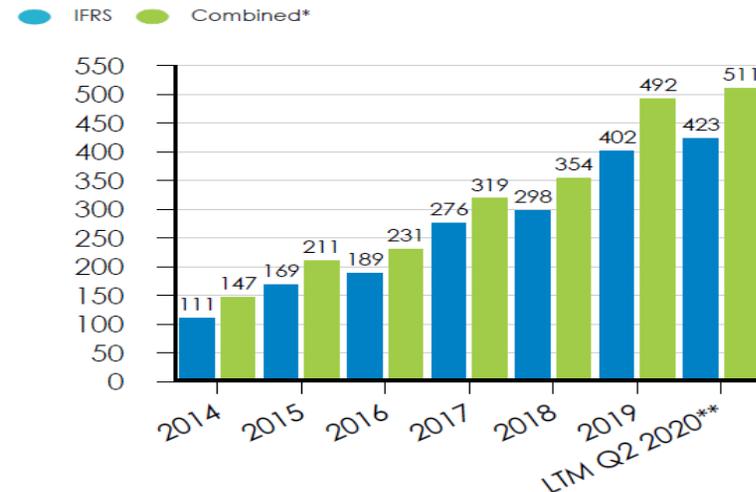
Compound annual growth rate: 44%



EBITDA(A)*

(in millions of Canadian dollars)

Compound annual growth rate: 28% (IFRS) and 25% (Combined)

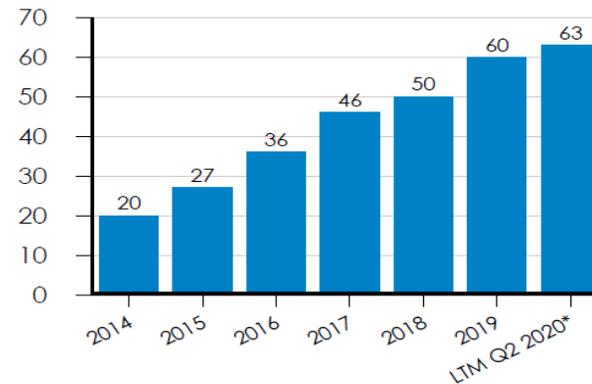


* See the Non-IFRS measures section in the Second Quarter 2020 Interim Report.

** EBITDA(A) under Combined information for the 12-month period ended June 30, 2020 is broken down as follows, Q2 2020: \$107 million, Q1 2020: \$169 million, Q4 2019: \$165 million and Q3 2019: \$70 million, for a total of \$511 million.

Dividends paid

(in millions of Canadian dollars)



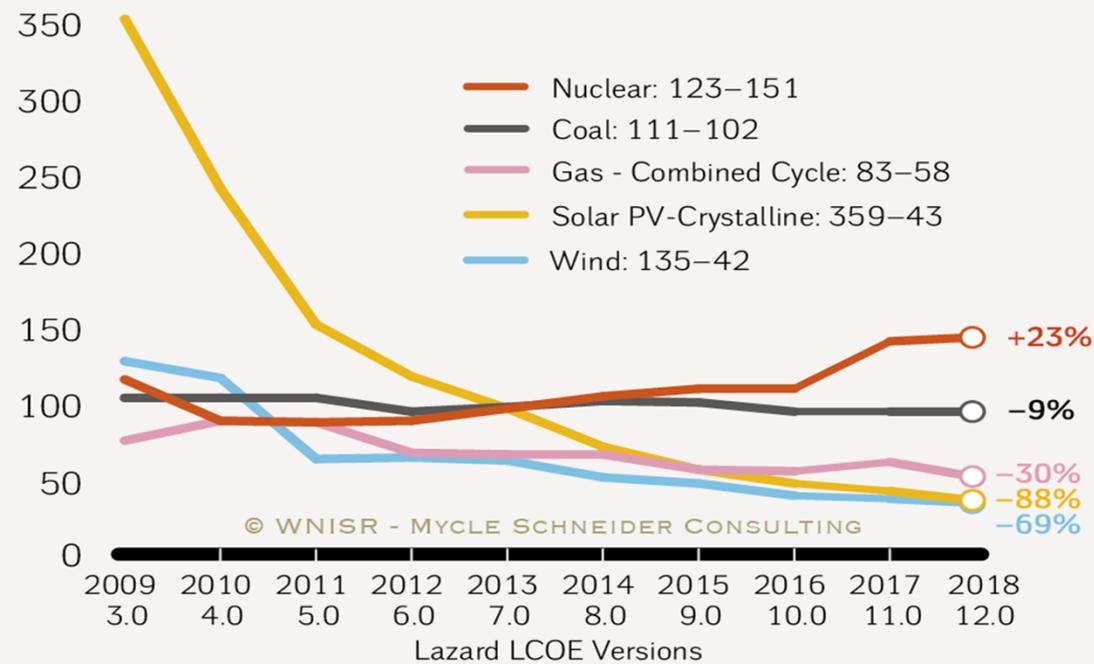
* Dividend amount paid for the 12-month period ended June 30, 2020 is broken down as follows, Q2-2020: \$16 million, Q1 2020: \$16 million, Q3 2019: \$16 million and Q3 2019: \$15 million, for a total of \$63 million.



2. Focusing on Attractive Markets

Selected Historical Mean Costs by Technology

LCOE values in US\$/MWh ⁽¹⁾



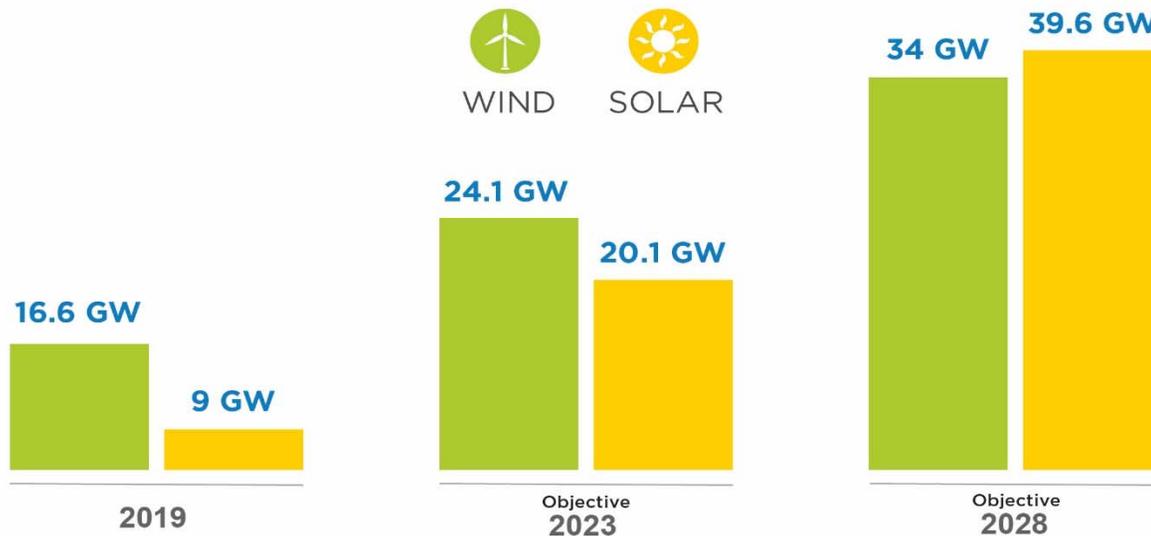
Source: World Nuclear Industry Status Report 2019

**Renewable Energy is now less expensive than
Traditional Power Sources**

2. Focusing on Attractive Markets



TARGETS OF FRENCH RENEWABLE ENERGY PROGRAM



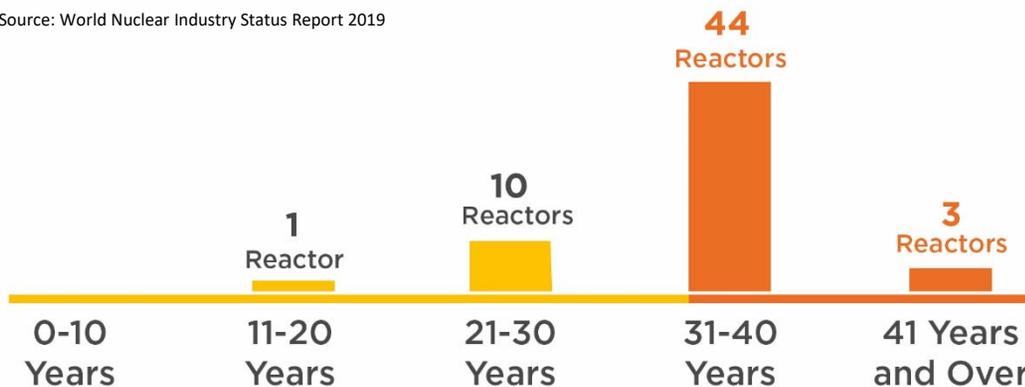
- Around 1.85 GW/year of additional capacity for a 8% CAGR
- Around 3 GW/year of additional capacity (2/3 ground-based solar and 1/3 solar buildings) for a 17% CAGR
- Objective to surpass wind capacity in 2028

Source: "Programmation pluriannuelle de l'énergie"
CAGR: Compound annual growth rate

AGE FRENCH NUCLEAR FLEET As of 1 July 2019

Source: World Nuclear Industry Status Report 2019

58 Reactors
Mean Age: **34.4 Years**

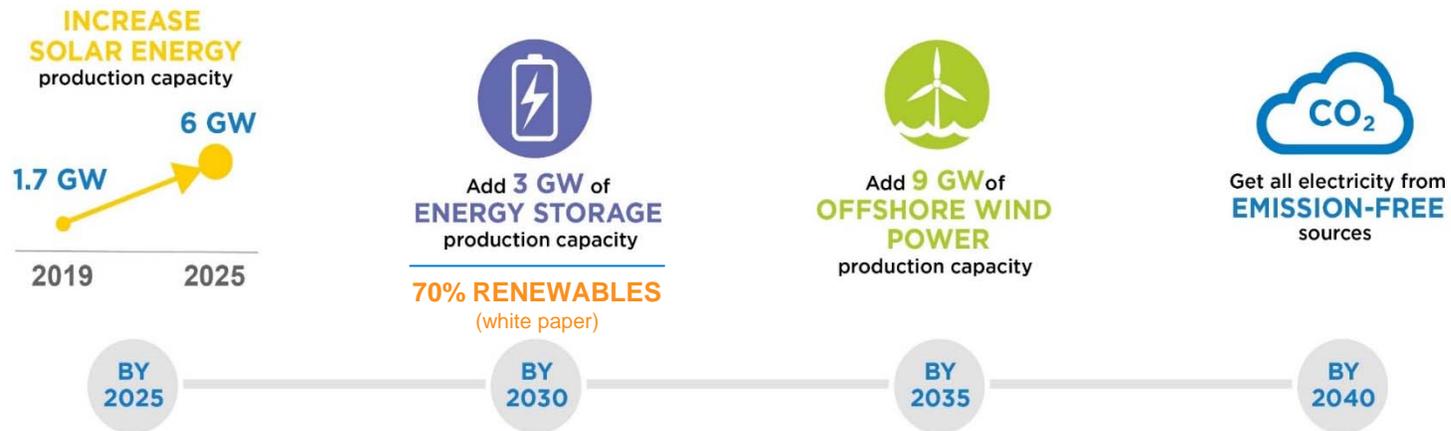


- Fessenheim 1 in France closed on February 20, 2020 and 2 closed in June 2020
- High refurbishing costs and very long process

2. Focusing on Attractive Markets



TARGETS OF NEW YORK STATE, U.S. GREEN NEW DEAL

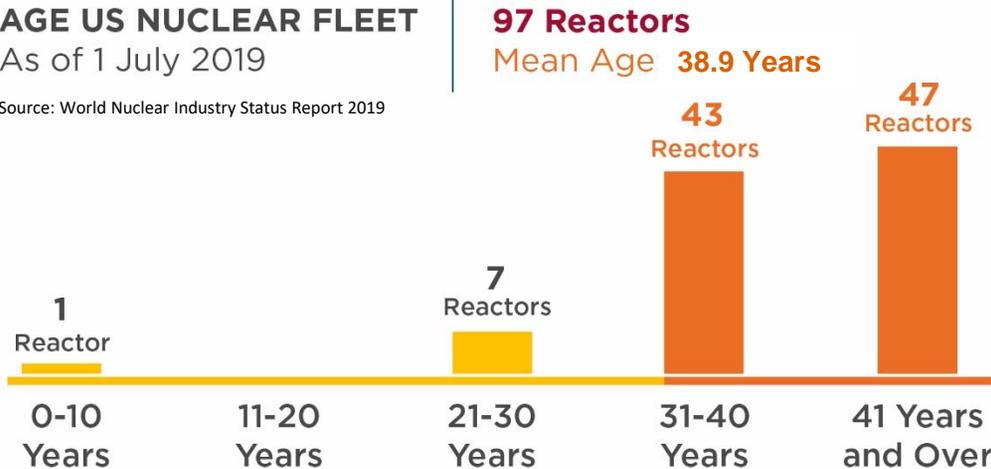


Source: New York state's Green New Deal
 * Excludes the proposals of a white paper published recently

AGE US NUCLEAR FLEET

As of 1 July 2019

Source: World Nuclear Industry Status Report 2019



- Indian Point 2 (NYS) in the U.S. closed on April 30, 2020 and 3 expected to close next year
- High refurbishing costs and very long process



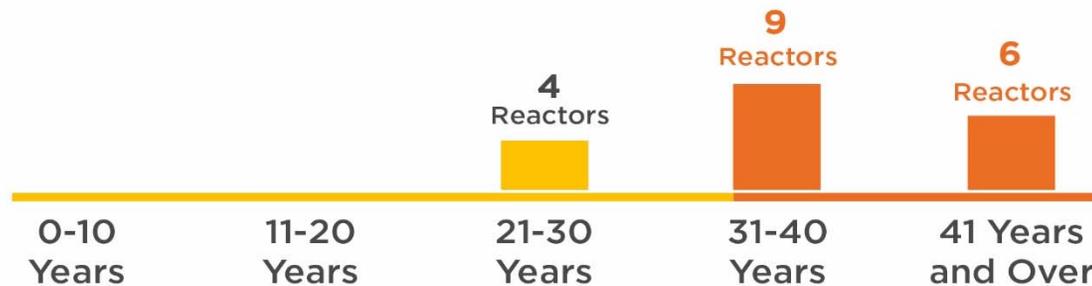
2. Focusing on Attractive Markets



- Hydro-Quebec export strategy and vision of new President
- Comments by Premier Legault on wind projects in Quebec
- Economic recovery program to come for Canada and Provinces
- Need to better integrate electricity network in North America (see MIT study)

Age of Canadian Nuclear Fleet
As of 1 July 2019

19 Reactors (18 of them in Ontario)
Mean Age: **35.5 years**





3. Well-Defined Strategic Plan with Strong Growth Potential

STRATEGIC DIRECTIONS

GROWTH

in markets with promising renewable energy programs

DIVERSIFICATION

into solar power and energy storage

NEW CUSTOMERS

through corporate PPAs and other sources of revenues

OPTIMIZATION

operational and financial

2023 FINANCIAL OBJECTIVES

DISCRETIONARY CASH FLOW

\$140M-\$150M

\$59M

2018



Objective
2023

2,800 MW
OF INSTALLED CAPACITY

1,942 MW

2018

2,800 MW

Objective
2023

40%-60%
PAYOUT RATIO

RSE/ESG TOP 10 PRIORITIES

Diversity and Equal Opportunities

Responsible Corporate Governance

Ethics in Business and Behaviour

Responsible resource use

Greenhouse gas emissions

Responsible procurement

Adapting to climate change

Biodiversity
Pollution prevention and environmental protection

Health and Safety

Local community consultation and engagement



BREAKDOWN OF BORALEX DEVELOPMENT PROJECTS

PIPELINE

		NORTH AMERICA	EUROPE	TOTAL BORALEX
TOTAL 2,696 MW	EARLY STAGE			
	• Real estate secured	315 MW	301 MW	616 MW
	• Interconnection available	230 MW	120 MW	350 MW
	• Confirmation of the project by local communities and regulatory risks			
	TOTAL	545 MW	421 MW	966 MW
	MID STAGE			
	• North America: Preliminary valuation and design to submit a bid under a request for proposals	760 MW	499 MW	1,259 MW
	• Europe: Preliminary design and request to obtain administrative authorizations	-	30 MW	30 MW
	TOTAL	760 MW	529 MW	1,289 MW
	ADVANCED STAGE			
• North America: Project submitted under a request for proposals	-	223 MW	223 MW	
• Europe: Project authorized by regulatory authorities and submitted under a request for proposals (France)	205 MW	13 MW	218 MW	
TOTAL	205 MW	236 MW	441 MW	
TOTAL	1,075 MW	1,023 MW	2,098 MW	
	435 MW	163 MW	598 MW	
	TOTAL	1,510 MW	1,186 MW	2,696 MW

Growth orientation

- A strong pipeline of wind and solar projects totaling 2,696 MW
- A strong 2020-2023 Growth Path totaling 289 MW of wind and solar projects

GROWTH PATH

		NORTH AMERICA	EUROPE	TOTAL BORALEX
TOTAL 289 MW	SECURED STAGE			
	• North America: Contract win (REC or PPA) and interconnection secured	-	207 MW	207 MW
	• Europe: Contract win (PPA) and interconnection secured (France); project authorized by regulatory authorities and interconnection secured (Scotland)	-	21 MW	21 MW
	TOTAL	-	228 MW	228 MW
	UNDER CONSTRUCTION OR READY-TO-BUILD			
	• Permits obtained	-	61 MW	61 MW
	• Financing in progress	-	-	-
	• Commissioning date determined			
	• Cleared of any claims (France)			
	• Approved by Boralex Board of Directors			
TOTAL	-	61 MW	61 MW	
TOTAL	-	268 MW	268 MW	
	-	21 MW	21 MW	
	TOTAL	-	289 MW	289 MW

CURRENTLY IN OPERATION 2,055 MW

Updated as of August 6, 2020

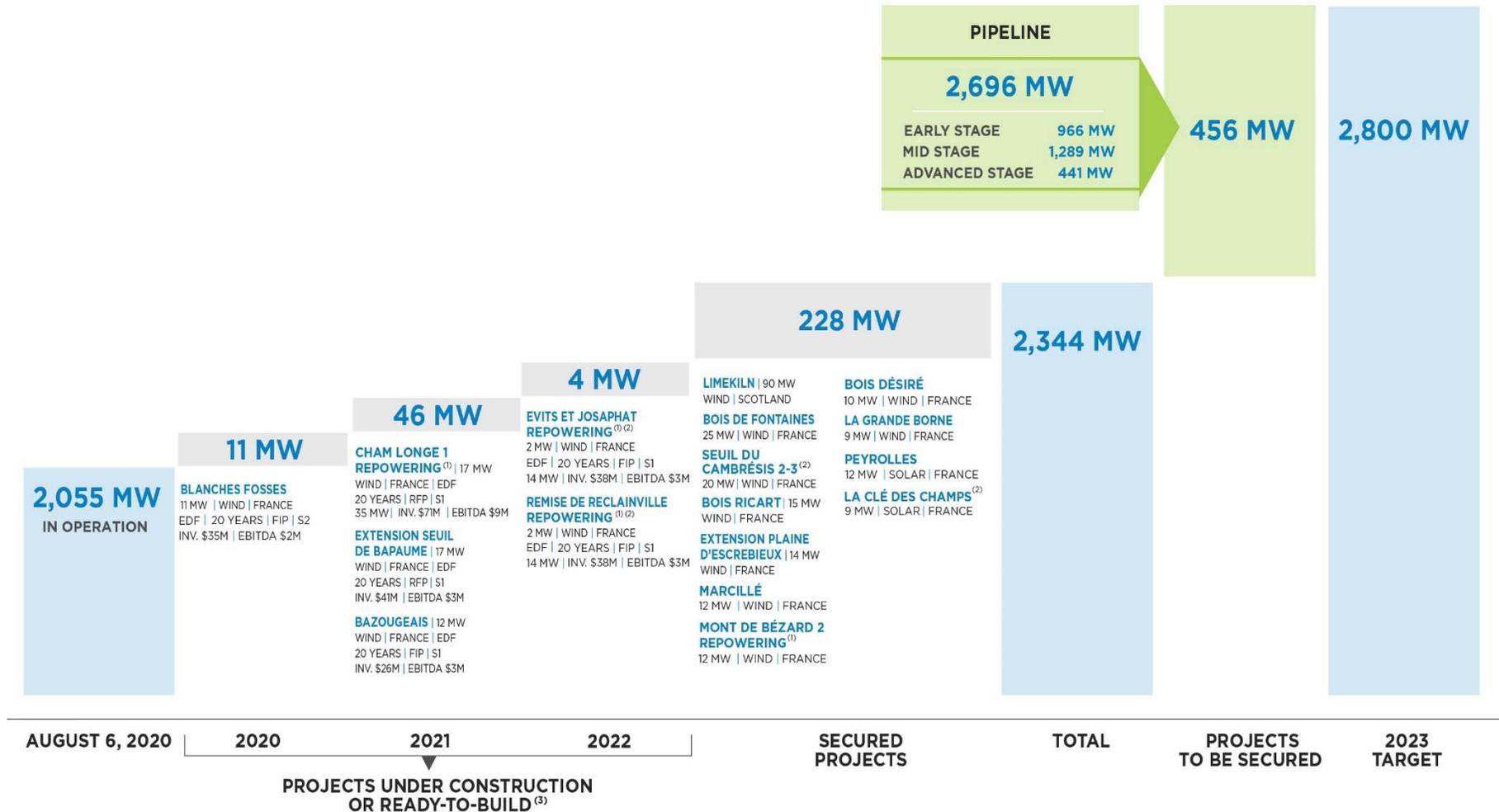


3. Growth Orientation – YTD Achievements

- 84 MW of secure projects added to the *Growth Path* (56 MW wind and 28 MW solar)
- Commissioning of Santerre wind farm (15 MW) in France on August 1, 2020
- Addition of 103 MW to the portfolio of projects during the second quarter.
- Advancing of three wind power projects to the Projects under construction / ready-to-build stage.
- Bids submitted for wind power projects under the July RFP in France and for solar projects in September RFP in New York State.



3. Growth Path 2020-2023



⁽¹⁾ The Cham Longe 1 repowering project consists in replacing the existing wind turbines with new wind turbines for a total capacity of 35 MW covered by a new long-term contract, which represents an increase of 17 MW. The Evits et Josaphat repowering project represents a total capacity of 14 MW with an increase of 2 MW while the Remise de Reclainville repowering project represents a total capacity of 14 MW with an increase of 2 MW, and the Mont de Bézard 2 repowering project represents a total capacity of 24 MW with an increase of 12 MW.

⁽²⁾ The following projects were renamed during the second quarter of 2020: Louville repowering 1 with Evits et Josaphat repowering; Louville repowering 2 with Remise de Reclainville repowering; RIB2-3 with Seuil du Cambresis 2-3 and St-Christophe with La clé des champs.

⁽³⁾ The total project investment and the estimated annual EBITDA for projects in France have been translated into Canadian dollars at the closing rate on June 30, 2020.

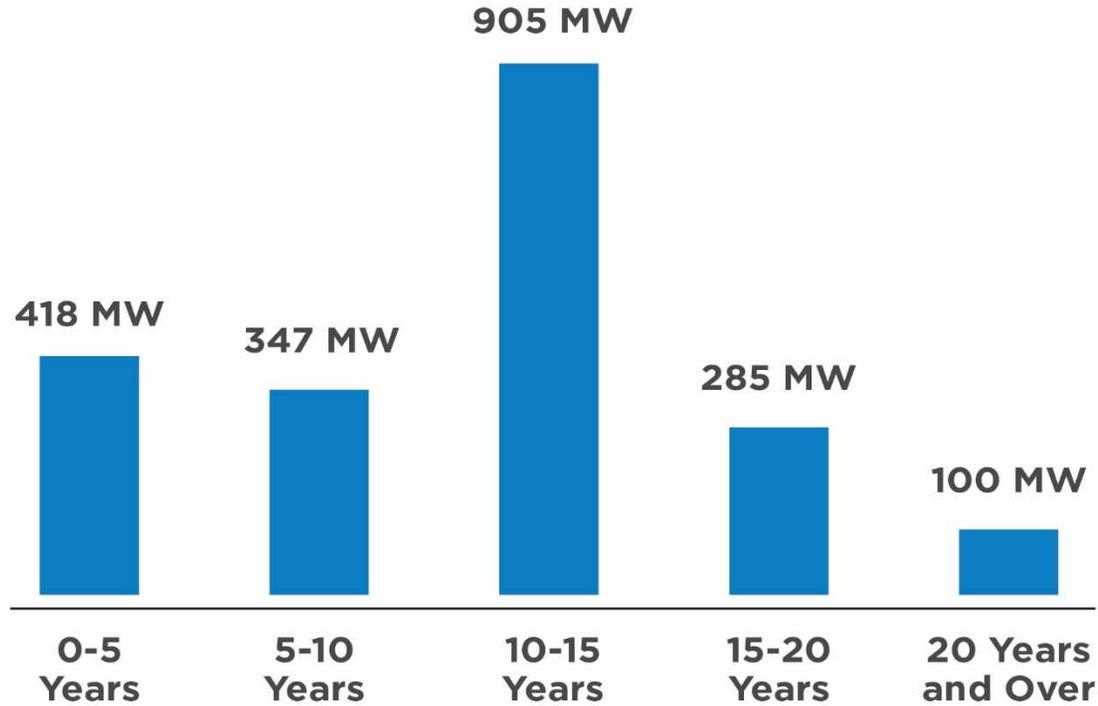


3. Diversification Orientation – YTD Achievements

- Development team set up for solar power energy projects in the State of New York in the United States.
- Preparing bids for the October 2020 RFP's in the State of New York in the United States.
- Imminent signing of definitive agreements for four power projects totaling 180 MW selected in the State of New York in the United States.
- Analyzing and researching opportunities for developing storage projects and other activities related to energy sales.

3. Upcoming Contract Renewals well Spread

REMAINING TIME ON EXISTING LONG-TERM CONTRACTS



3 STRATEGIES

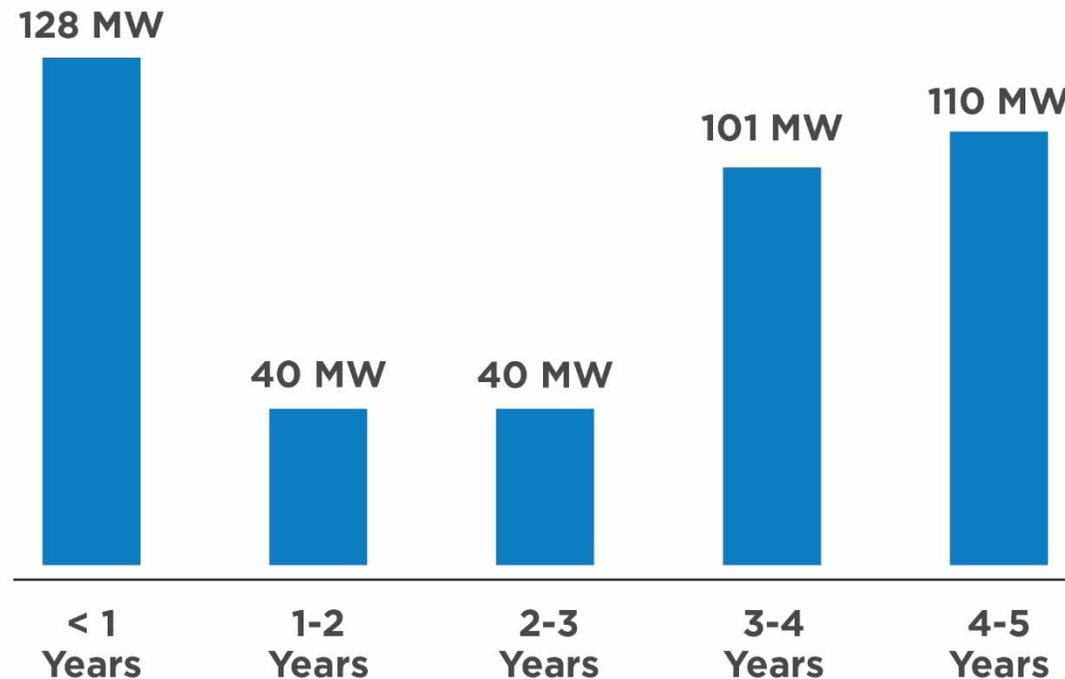
Repowering
Project

Corporate PPA

Market / Hedging

3. Upcoming Contract Renewals - Next 5 Years

REMAINING TIME ON EXISTING LONG-TERM CONTRACTS



- Repowering projects totaling 53 MW already secured, ready-to-build or in construction (see *Growth Path* on slide 16)
- Signing of a 5-year corporate PPA with Orange in France for 39 MW completed
- Signing of a 3-year corporate PPA with Auchan in France for 16 MW completed
- Ongoing discussions with corporations for other corporate PPA



3. Optimization Orientation – YTD Achievements

- Optimization of service and maintenance for wind farms totaling 412 MW (276 MW net) of installed capacity in Canada and France.
- Ongoing repowering of the Cham Longe I wind farm in France to increase installed capacity to 35 MW, 17 MW more than the capacity before the work with a new 20-year contract.
- Repowering of the Evits et Josaphat and Remise de Reclainville wind farms ready to be built. Installed capacity of 14 MW for each wind farm, 2 MW more than the current capacity with high-performing equipment doubling production and new 20-year contracts.
- \$805M refinancing for NRWF 230 MW wind farm in Ontario resulting in recurring annual savings of \$5M



4. Recent Developments

Continued growth in results for first half 2020

- Total production up 4% vs anticipated production and up 4% vs 2019.
- EBITDA up 7% vs 2019 and LTM AFFO of \$124M, up \$4M over fiscal-year 2019.

Successful development strategy

- 180 MW in solar projects selected in New York State in the U.S.
- 70 MW in solar and wind projects awarded in France
- 103 MW added to project pipeline and 84 MW to the secured *Growth Path*

Addition of New customers (corporate PPA)

- Two corporate PPA (3 and 5 years) signed by Boralex in France for a total of 55 MW

Operational and financial optimization

- Service and maintenance optimization for wind farms totaling 412 MW
- \$805M refinancing of NWRP 230 MW wind farm in Ontario completed in August resulting in \$5M recurring annual savings
- More than \$2.7 billion in refinancing carried out in the past twelve months providing greater financial flexibility and \$22 million benefits.

\$200M bought deal completed in August 2020



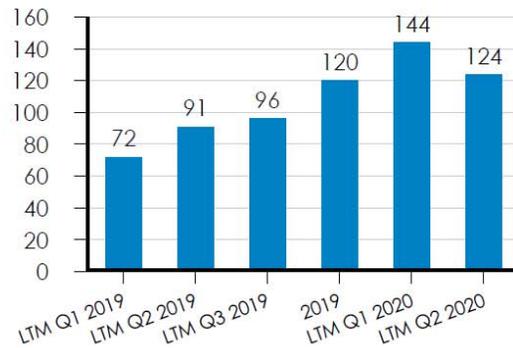
4. Successful Execution of Strategic Plan

Good Progress Year-to-date on the 3 financial objectives:

1. Generate between \$140M - \$150M in discretionary cash flow by 2023
2. Maintain Dividend Payout Ratio between 40% to 60%
3. Increase Installed Capacity from 1,942 MW in 2018 to 2,800 MW by 2023

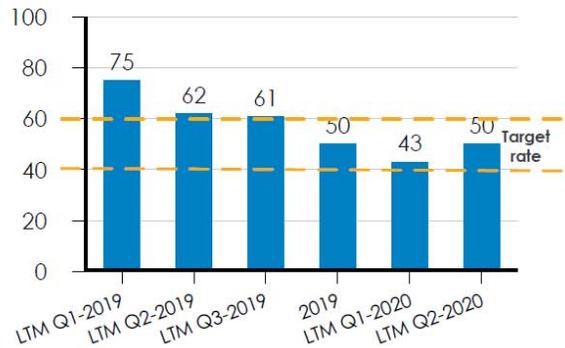
Discretionary cash flow⁽¹⁾

June 30, 2020
(in millions of Canadian dollars)



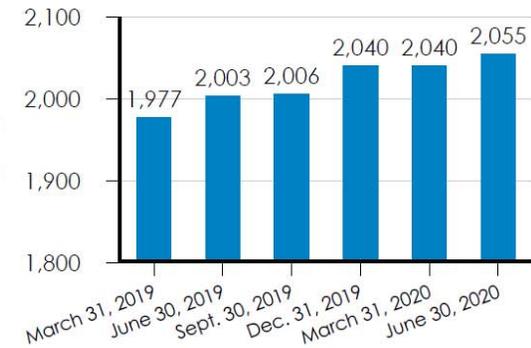
Dividend payout ratio⁽¹⁾

June 30, 2020
(in %)



Net installed capacity

August 6, 2020
(in MW)



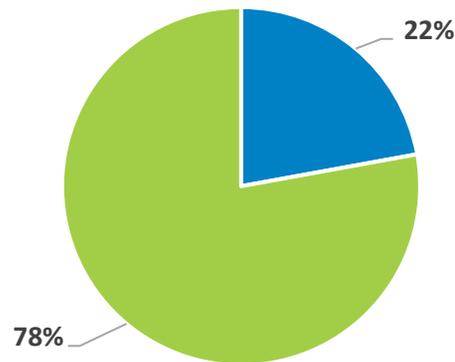
⁽¹⁾ See the *Non-IFRS measures* section of the 2020 Interim Report 2.



4. A Solid Financial Position to Fuel Future Growth

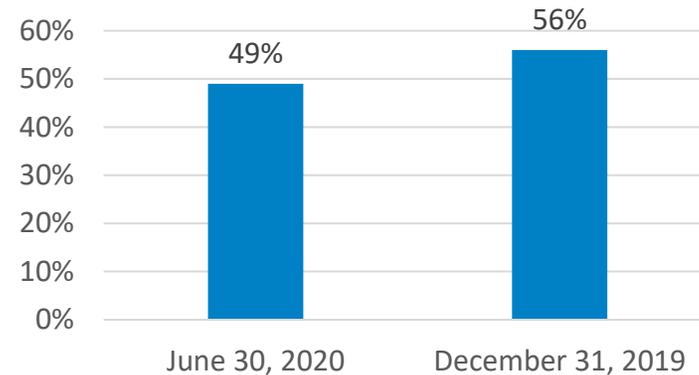
Total Debt Breakdown - \$3.1B

As at June 30, 2020



■ Corporate debt ■ Project debt

Net debt to total capitalization



- \$400M available on corporate credit facility
- \$182M available for construction of projects in France (CAPEX line)
- No loan renewals before 2023 (corporate revolving credit facility).
- Next renewal in 2028 (subordinated debt).
- Other loans are tied to specific assets with maturity dates that are generally in line with the power sales contracts and are non-recourse to the Corporation.



4. A Balanced Approach to ESG since 30 years

ESG IS AN INTEGRAL PART OF OUR BRAND/DNA

100% renewable focus

2019 production =
290,517 tons CO₂ equivalent reduction

Partnerships to improve knowledge
and reduce environmental impacts

Strong engagement and
reputation of partner of choice
for local municipalities and
indigenous communities

1 lost time incident on
767,000 worked hours in 2019

Employee brand and
mobilization surveys

Inclusive work place culture
and flexible hours schedule



BORALEX

Diverse and complementary
Board of Directors and
Management team:

- 2 women out of 8 senior managers and 4 women out of 11 Board members
-

All Board members,
except CEO are independant

Code of ethics,
whistleblower, independant
HR committee and clawback
policy

Annual variable incentive
program mainly based on
discretionary cash flow
(AFFO) per share



4. RSE/ESG : Going beyond Renewable Energy

Our Priorities

Respect People,
Regulations and
Ethics

Respect the
Planet

Respect our
Employees and our
Local Environment



**Diversity and
Equal Opportunities**



**Responsible
Corporate Governance**



**Ethics in Business
and Behaviour**



**Responsible
resource use**



Greenhouse gas emissions



**Responsible
procurement**



**Adapting to
climate change**



Biodiversity

Pollution prevention and
environmental protection



Health and Safety



**Local community consultation
and engagement**



5. Conclusion: Growth, Yield and Long-term Value

Boralex (BLX): \$38.49	September 30, 2020
5 years CAGR stock price	24%
Dividend yield	2%
Shares outstanding	102.4M
Public float	84.6M
Daily trading volume	Over 400K
Market capitalization	\$3.9B vs \$493M 5 years ago

Stéphane Milot

Director - Investor Relations

(514) 213-1045

stephane.milot@boralex.com

BORALEX



@BoralexInc
boralex.com

