



Renewable Energy.
Sustainable Development.

Investor Relations Presentation

Q4 2021



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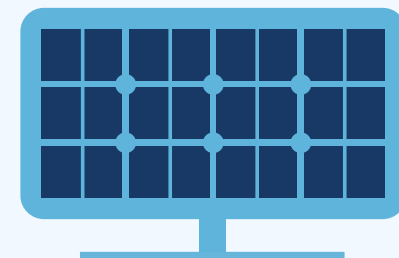
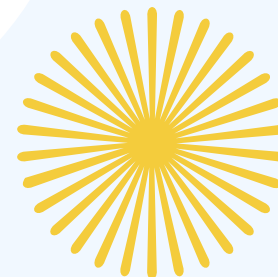
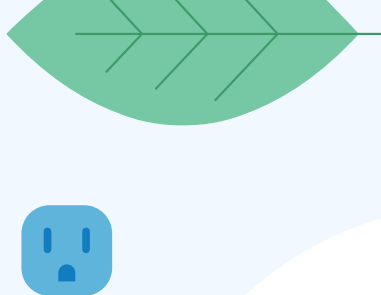
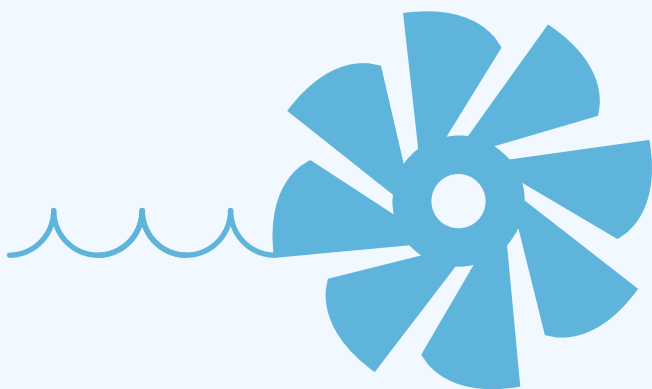
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1. **About Innergex**
2. Business Updates
3. Q4 2021 Financial Highlights
4. Corporate Strategy
5. Appendix



KEY FIGURES

100%
RENEWABLE
ENERGY

**Hydro, wind,
solar and
storage** facilities



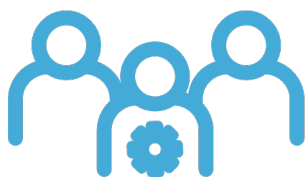
**80 operating
facilities**
and 12 projects under
development ¹



Gross installed
capacity
3,852 MW ¹



Enough electricity
to supply
1,083,528 households
with clean energy in
2021



Over
450 employees



Enterprise value²
\$8.7 billion



Market
Capitalization²
\$3.6 billion



Dividend / Yield
\$0.72 / 3.9%

(Yield is based on share price
as of December 31, 2021)

1. As at February 23, 2022, date of the release of the 2021 Annual Report.

2. All financial data are as at December 31, 2021.

A GLOBAL PLAYER

CANADA
Gross 1,954 MW
Net 1,454 MW

FRANCE
Gross 324 MW
Net 226 MW

UNITED STATES
Gross 1,251 MW
Net 1,168 MW

CHILE
Gross 323 MW
Net 304 MW

IN OPERATION

3,152 / 3,852 MW (net¹ / gross capacity)

 **40 hydro facilities** (919 / 1,259 MW)

 **32 wind farms** (1,602 / 1,946 MW)

 **8 solar farms** (631 / 647 MW)

Total energy storage 150 MWh

80 FACILITIES

¹ Net capacity represents the proportional share of the total capacity attributable to Innergex based on its ownership interest in each facility.

UNDER DEVELOPMENT

733 / 770 MW (net/gross)

 **3 hydro projects** (89 / 120 MW)

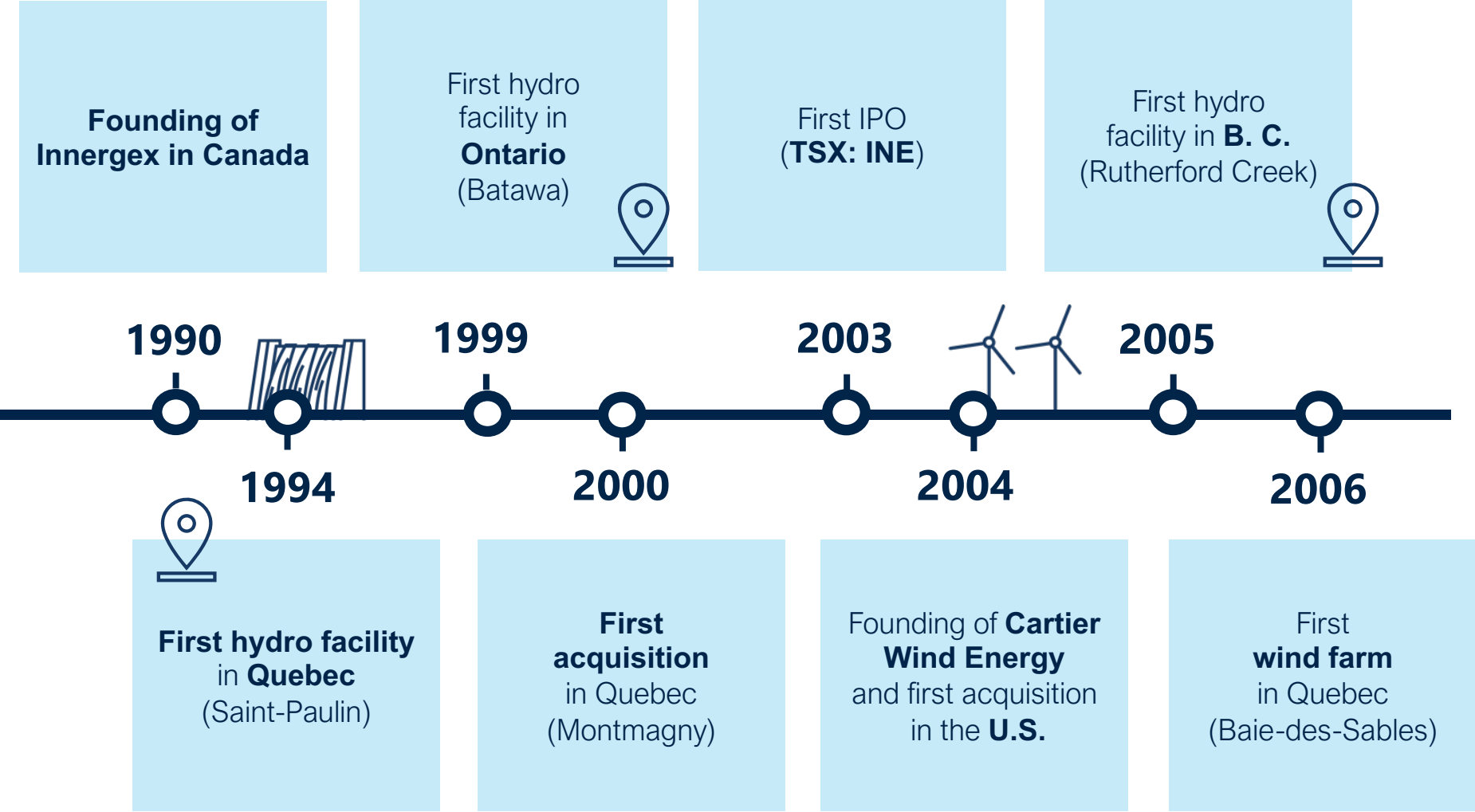
 **3 wind projects** (364 / 370 MW)

 **5 solar projects** (280 / 280 MW)

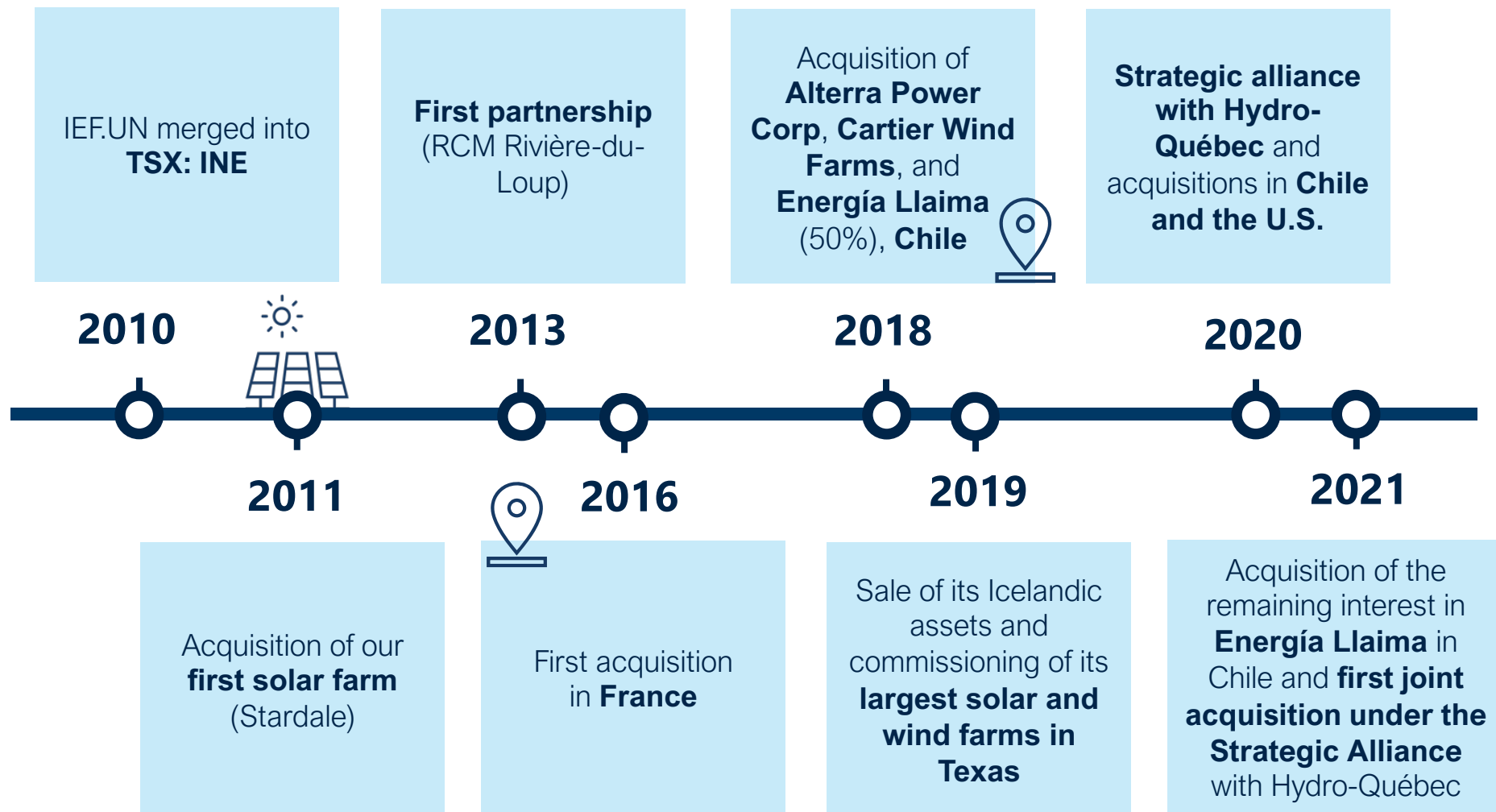
 **1 energy storage project** (9 MWh)

**MORE THAN 7,122 GROSS MW
IN PROSPECTIVE PROJECTS**

OUR STORY



OUR STORY



BUILDING A BETTER WORLD WITH RENEWABLE ENERGY

With **a sustainable business model** that balances People, our Planet and Prosperity.



People

We are a team of passionate individuals who build strong partnerships with local communities.



Planet

We believe that renewable energy is part of the solution to climate change.



Prosperity

We generate value for our employees, our shareholders, our partners and our host communities.

COMMITTED TO THE HIGHEST ESG STANDARDS

PEOPLE



By promoting equal opportunities for a more balanced and diverse workplace,



Innergex's contributions

TO EMPLOYEE RETIREMENT SAVINGS PLAN IN 2021 TOTALED **\$1.3 M**²



IN 2021, THERE WERE



97 employees

WITH AT LEAST **10** years of tenure at Innergex



Our employee engagement survey had an

89% response rate



Our employees received fair and competitive compensation with

\$54.4 M in employee wages and benefits paid out³

All data are as at December 31, 2021 and are updated on an annual basis.

1. The decrease from last year's percentage is due to the addition of more than 80 employees in Chile, as part of the acquisition of Energía Llaima in July 2021.

2. For Canadian and US employees. Employees in France and Chile are covered by different retirement systems.

3. Compared with \$48.6 million in 2020. Includes wages and benefits expenses capitalized to projects under construction or development, and wages and benefits expenses recharged to joint ventures and associates.

COMMITTED TO THE HIGHEST ESG STANDARDS

PLANET

Over **\$767,000** was disbursed to long-term environmental monitoring programs



which study fish, wildlife, and their habitats in and around our facilities

We supplied the equivalent of

1,083,528 households with clean, renewable energy²



Our run-of-river hydro plants have **non-consumptive use of water to generate**

clean electricity



Our facilities do not emit significant amounts of GHGs and produce green electricity that offsets GHG emissions

The GHG emissions offset by Innergex's production of clean, renewable energy was approximately

6,982,908

metric tonnes of **CO₂**

EQUIVALENT TO

removing 1,518,642

GASOLINE PASSENGER

vehicles from roads over the year¹



All data are as at December 31, 2021 and are updated on an annual basis.

1. Based on Innergex's 2021 Production Proportionate of 9,853,366 MWh and calculated using the United States Environmental Protection Agency's Greenhouse Gas Equivalencies Calculator at <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

2. Based on Innergex's 2021 Production Proportionate in each country in which we operate, divided by the local household average consumption, with data from the World Energy Council (2014).

COMMITTED TO THE HIGHEST ESG STANDARDS

PROSPERITY

Our sponsorship, donation and voluntary contributions supported

224
organizations
THAT HAVE SHARED OVER



IN
donations



INNERGEX DECLARED
\$132.2M
in dividends
on common shares



All data are as at December 31, 2021 and are updated on an annual basis.

1. Revenues Proportionate is not a recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the “Non-IFRS Measures” section for more information.

COMMITTED TO THE HIGHEST ESG STANDARDS

GOVERNANCE

100%

of employees participated in online self-training modules on the



Code of conduct

and other ethical behaviours and committed to uphold its highest standards

The combined attendance at Board and committee meetings was

100%



ON CORPORATE KNIGHTS
2021 Best 50 Corporate Citizens List
 BEST 50²⁰²¹ CORPORATE CITIZENS



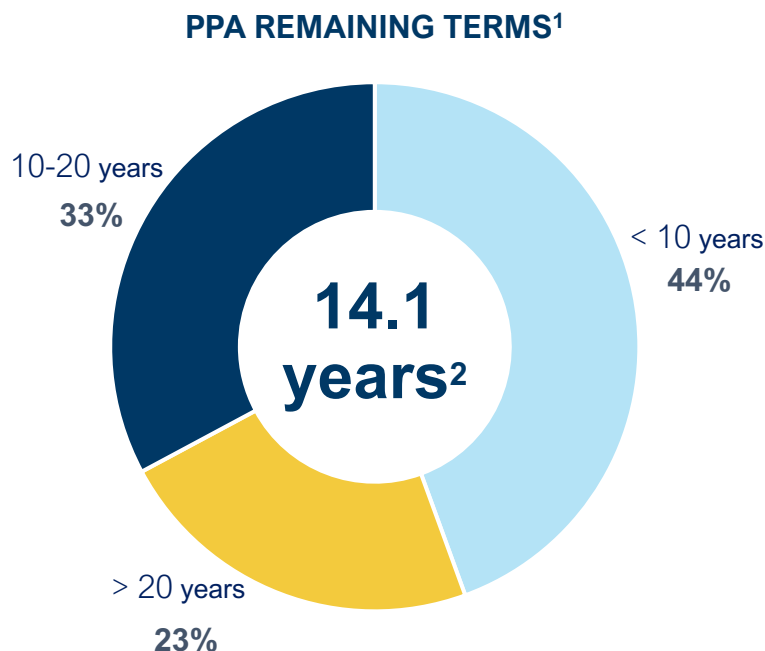
members of the Board of Directors are experts in the fields of ESG criteria

- ENVIRONMENTAL
- SOCIAL
- GOVERNANCE

All data are as at December 31, 2021 and are updated on an annual basis.

OUR BUSINESS FORECAST IS STEADY

With long-term agreements and accretive acquisitions



One of the longest average contract duration in the renewable sector

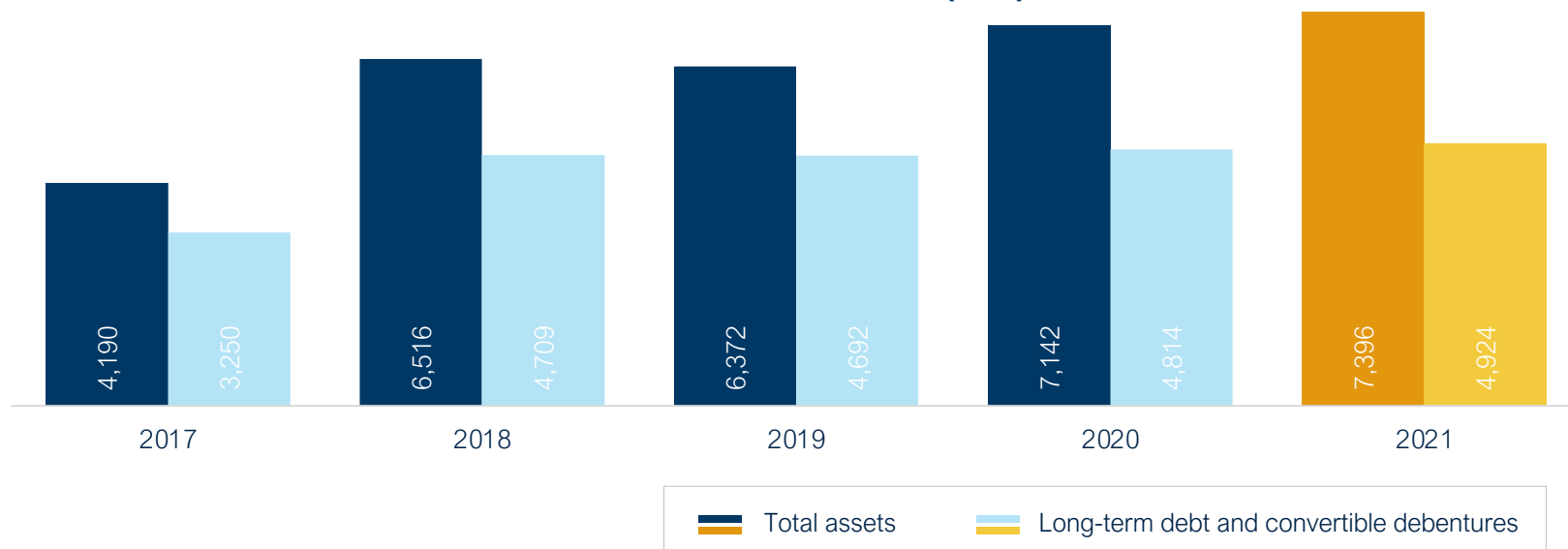
Young assets with a weighted **average age of approximately 9.4 years**

1. Remaining weighted average life of PPAs, excluding projects under construction and in development, before consideration of renewal options.
2. Average based on gross long-term average production.



A STRONG BALANCE SHEET

ASSETS AND DEBT (\$M)



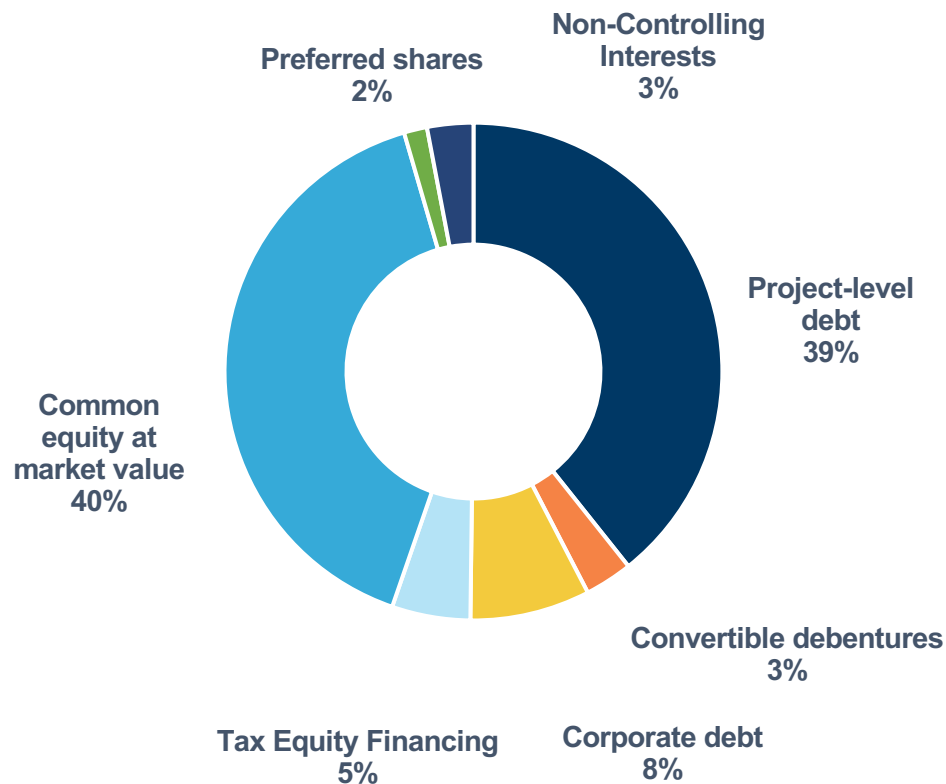
Revolving credit facilities supported by

12 unencumbered assets

In millions of Canadian dollars	As at	DEC 31, 2021	DEC 31, 2020
Total Assets		7,396.1	7,141.6
Total Liabilities		6,035.4	6,070.7
Non-Controlling Interests		267.6	62.1
Equity Attributable to Owners		1,093.1	1,008.9

A WELL-BALANCED CAPITAL STRUCTURE

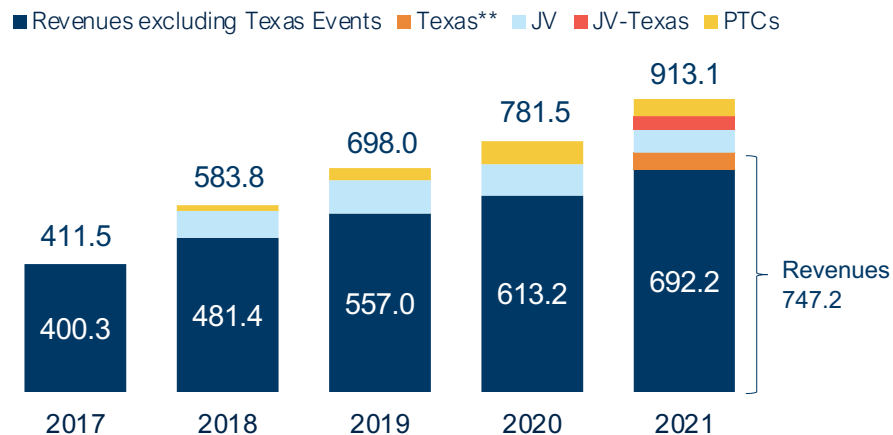
CAPITAL STRUCTURE



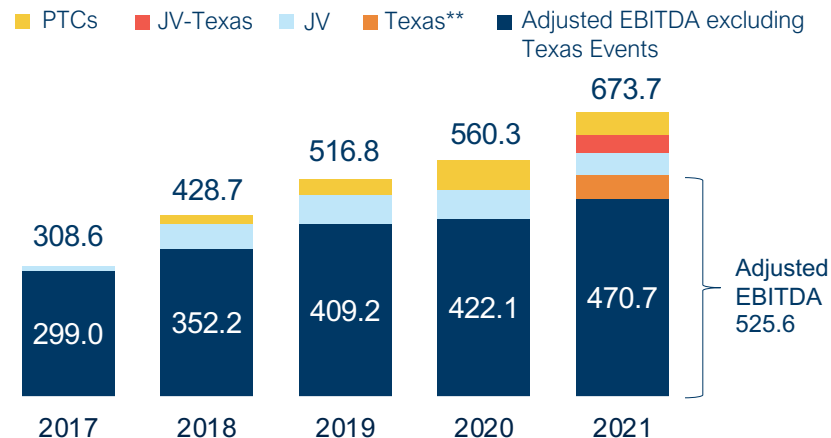
Long-term debt and borrowings ('000 CAD \$)	Dec 31st, 2021	Maturity
Corporate Revolving credit facility	398,758	2023
Subordinated unsecured term loan	150,000	2023
Alterra loans	145,000	2028-2031
Project loans	3,562,380	2024-2064
Tax equity financing	455,967	2022-2031
Debentures	280,258	2025-2026
TOTAL	4,992,363	

KEY INDICATORS

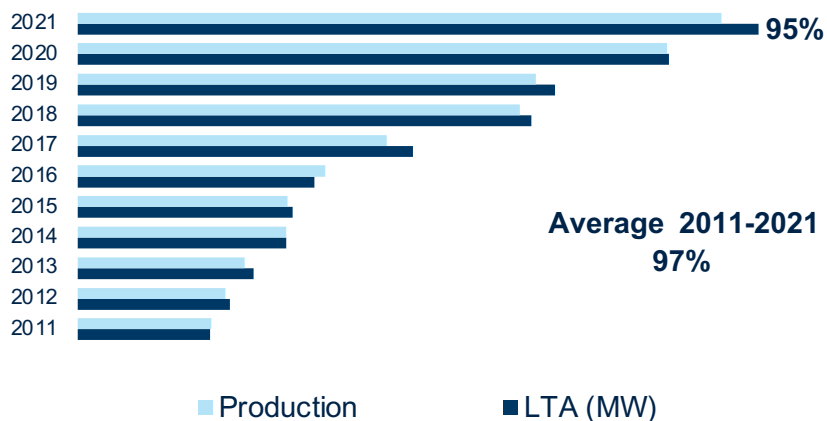
REVENUES AND REVENUES PROPORTIONATE² (\$M)



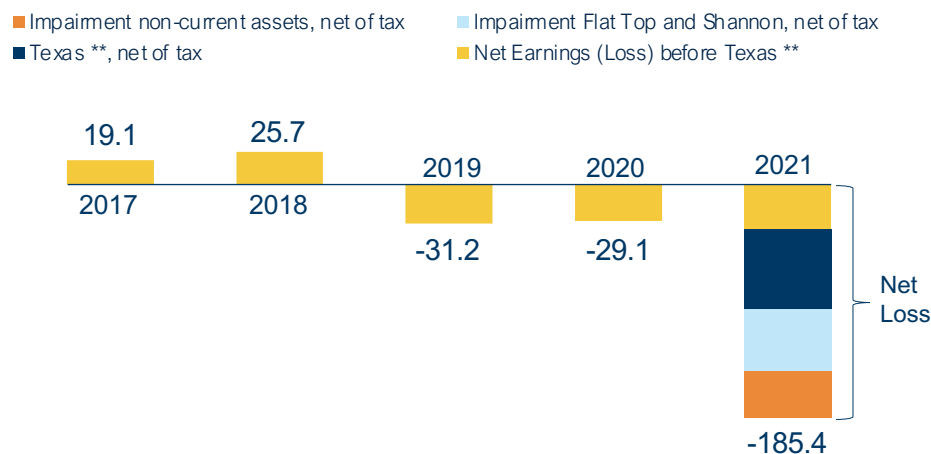
ADJUSTED EBITDA PROPORTIONATE² (\$M)



POWER GENERATED (GWH) PRODUCTION AS A % OF LTA¹



NET EARNINGS (LOSS) (\$M)



**Please refer to the "February 2021 Texas Events" section of the 2021 Annual Report for more information.

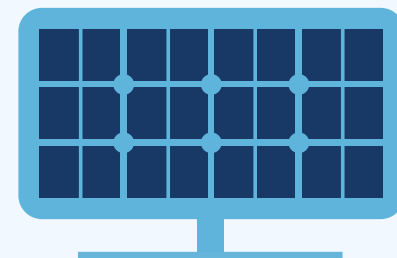
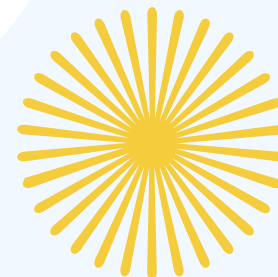
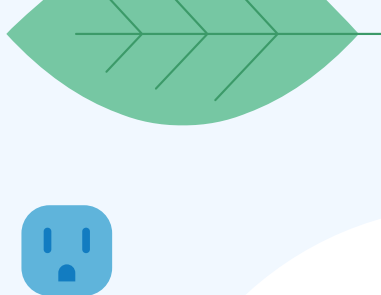
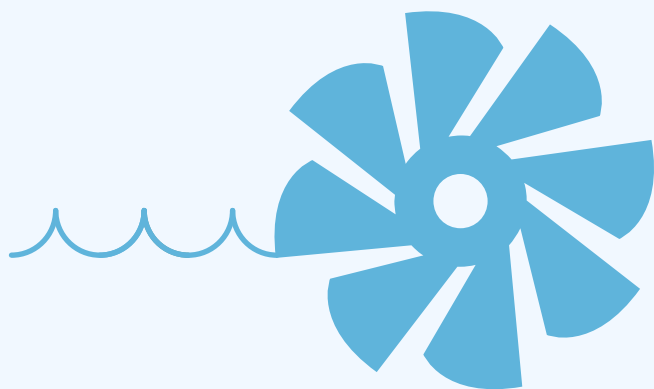
1 On a continued basis, year 2020 excludes BC Hydro curtailment and 2021 figures exclude economic curtailment at Phoebe.

2 Revenues Proportionate and Adjusted EBITDA Proportionate are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the Non-IFRS section of this presentation.



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2021 CORPORATE DEVELOPMENT

Acquisition of remaining interests in Energía Llaima, in Chile



- On July 9, 2021, the Corporation became the sole owner of Energía Llaima SpA in Chile by acquiring the remaining 50% interest for an aggregate consideration of US\$75.0 million (\$94.0 million), which includes a contingent consideration evaluated at US\$3.7 million (\$4.6 million).



- Innergex's net installed capacity increased by 83.4 MW by gaining interests in and operating three hydro facilities in Chile, a solar thermal facility, as well as several projects in the development or prospective stages.

Acquisition of a hydro facility in Chile



- On August 3, 2021, Innergex acquired Licán, an 18 MW run-of-river hydro facility with a reservoir for daily regulation for up to 3.5 hours.
- Licán was acquired for an aggregate consideration of US\$17.7 million (\$22.1 million), financed with cash held in Chile, to pay the shareholders and partially pay the existing debt and other costs.

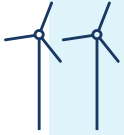
Acquisition of a hydro portfolio in the State of New York



- On October 25, 2021, the Corporation and Hydro-Québec completed their first 50-50 joint acquisition with the purchase of the 60 MW Curtis Palmer run-of-river hydroelectric portfolio, consisting of the 12 MW Curtis Mills and 48 MW Palmer Falls facilities.
- Total consideration of US\$321.6 million (\$397.3 million), includes a contingent consideration of US\$3.2 million (\$3.9 million).

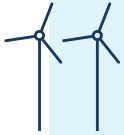
RECENT COMMISSIONING ACTIVITIES

Full commissioning of Yonne II, 6.9 MW – France



- On March 1, 2021, Innergex completed the commissioning of the 6.9 MW Yonne II wind facility.

Full commissioning of Griffin Trail, 225.6 MW – Texas, U.S.



- On July 26, 2021, Innergex completed the commissioning of the 225.6 MW Griffin Trail wind facility and concluded the tax equity funding on July 30, 2021.

Full commissioning of Hillcrest, 200 MW – Ohio, U.S.



- The facility reached substantial completion on October 31, 2021 and concluded the tax equity funding on November 17, 2021.

RECENT ACHIEVEMENTS

DEVELOPMENT



FRONTERA: Construction contract and permitting are progressing slowly, awaiting decisions on financial items. Project schedule is under revision.



PAEAHU: The project has been delayed by an unfavourable decision at the circuit court regarding the county special use permit, and a new proceeding will commence in March 2022. Management is currently reassessing the project's long-term outlook in regards of the recent decision.



KAHANA: PPA was approved by the Hawaii public utilities commission on January 5, 2022.



BARBERS POINT: Environmental studies are completed.



BOSWELL SPRINGS: PPA negotiations are underway and equipment procurement and EPC contractor selection process is in progress. Permitting is nearing completion and construction expected to begin during Q2 2023.



PALOMINO: Permitting application process and transmission line studies commenced. Construction expected to begin by Q3 2023.



AUXY BOIS REGNIER: 20-year PPA with EDF-OA obtained on February 23, 2022. Interconnection request was made. Environmental approval given, but legal procedures against it were initiated.

CONSTRUCTION



HALE KUAWAHEHI: Construction started in January 2022. Execution of all major supply and construction contracts completed. The blessing ceremony was held on site on January 4, 2022. Civil work commenced in January with construction of roads and laydown areas.



INNAVIK: Cofferdam installed and river flow now diverted through the diversion structure. Powerhouse superstructure completed at 95%, the envelope shall be completed in Q2 2022. Some delays have been encountered due partly to the pandemic situation.



TONNERRE: Construction work at site is completed. Commissioning and testing works are ongoing and commissioning is expected to be achieved by the end of Q1 2022.

RECENT SIGNIFICANT FINANCIAL EVENTS

Closing of \$201 million Bought Deal Equity Financing and \$50 million Concurrent Private Placement

Bought Deal Equity Financing

- On September 3, 2021, Innergex completed a bought deal equity financing of common shares.
- 10,374,150 common shares were issued:
 - 1,353,150 common shares as a result of the over-allotment.
 - Offering price of \$19.40 per common share for aggregate gross proceeds of \$201.3 million.

Private placement with Hydro-Québec

- A total of 2,581,000 common shares issued at the offering price for aggregate gross proceeds of \$50.1 million in order for Hydro-Québec to maintain its ownership.

Closing of \$172.5 million Bought Deal Equity Financing and \$37.3 million Concurrent Private Placement

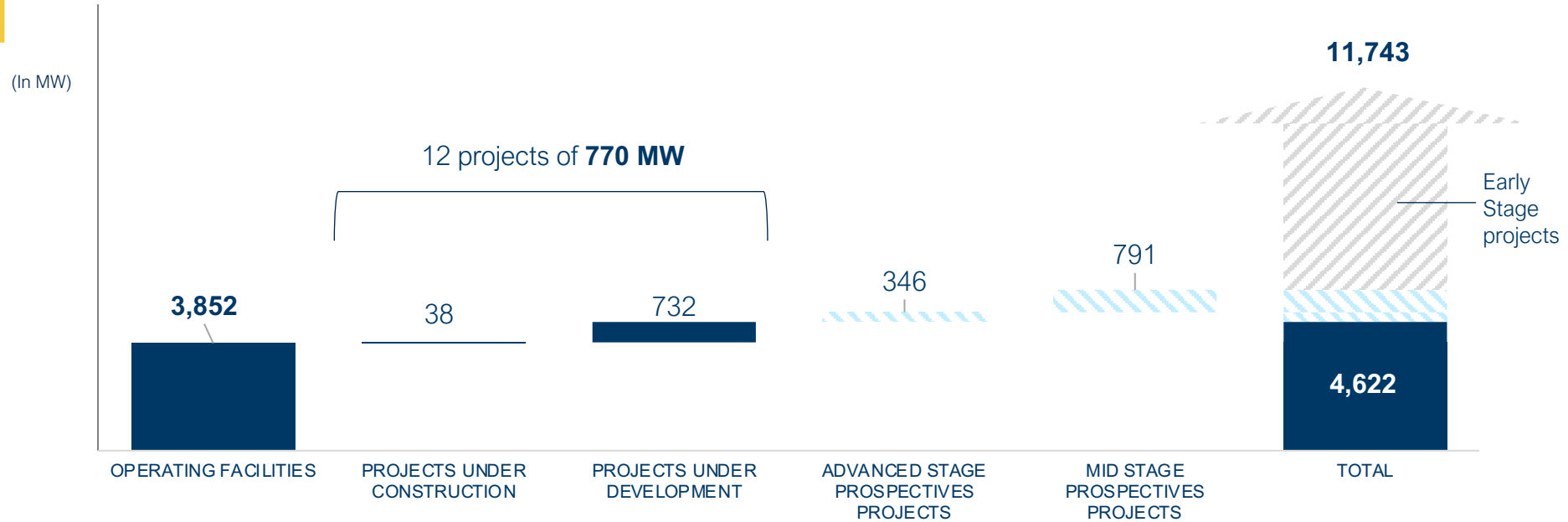
Bought Deal Equity Financing

- On February 22, 2022, Innergex completed a bought deal equity financing of common shares.
- 9,718,650 common shares were issued:
 - 1,267,650 common shares as a result of the over-allotment.
 - Offering price of \$17.75 per common share for aggregate gross proceeds of \$172.5 million.

Private placement with Hydro-Québec

- A total of 2,100,000 common shares issued at the offering price for aggregate gross proceeds of \$37.3 million in order for Hydro-Québec to maintain its ownership.

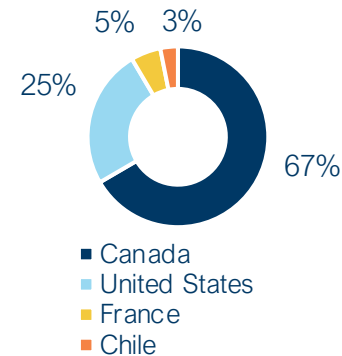
STRONG DEVELOPMENT PIPELINE FOR LONG-TERM GROWTH



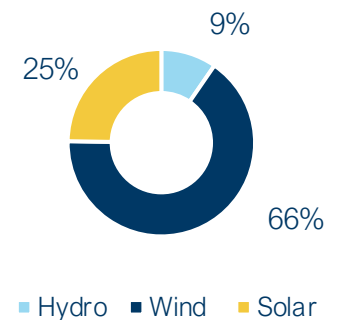
PROSPECTIVE PROJECTS

	Stage of project development (in MW) ¹			Total
	Advanced Stage	Mid Stage	Early Stage	
Hydro	154	-	529	683
Wind	132	61	4,480	4,673
Solar	60	730	971	1,761
Green Hydrogen	-	-	5 ²	5
Storage	250 MWh	-	-	-
Total	346	791	5,985	7,122

By region



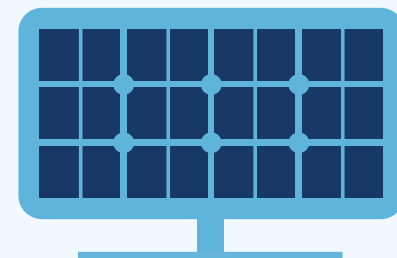
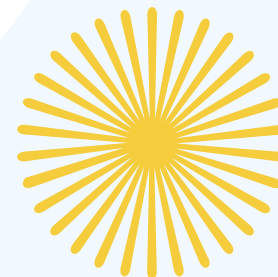
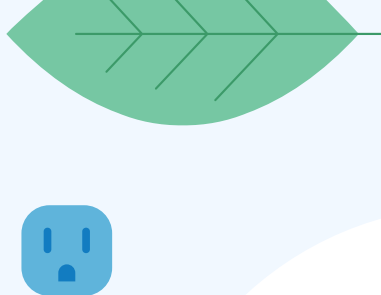
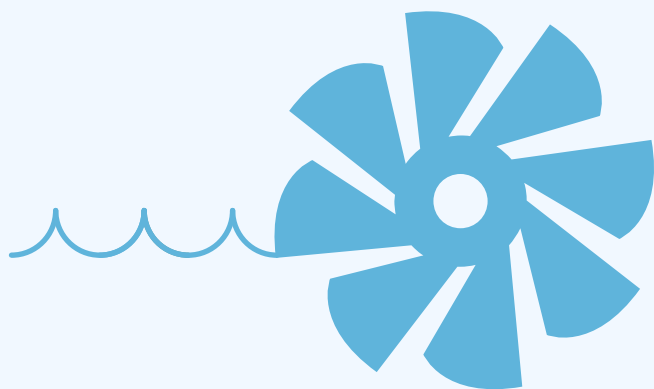
By energy





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PRODUCTION PROPORTIONATE¹

	Three-Month Period Ended December 31			
	2021	2020	Change	% LTA
HYDRO				
Quebec	170.6	216.2	-21%	94%
Ontario	25.6	22.0	16%	121%
British Columbia	552.2	457.7	21%	148%
United States ⁷	89.7	3.1	2780%	123%
Chile ⁶	105.2	0.0	-%	67%
TOTAL HYDRO	943.3	699.1	35%	117%
WIND				
Quebec	586.5	663.6	-12%	89%
France	173.5	208.1	-17%	80%
United States ⁴	644.7	430.2	50%	103%
TOTAL WIND	1,404.7	1,301.9	8%	93%
SOLAR				
Ontario	5.8	5.3	8%	104%
United States	162.4	121.6	34%	84%
Chile ^{5,6}	67.0	59.0	13%	94%
TOTAL SOLAR	235.2	186.0	26%	87%
TOTAL PRODUCTION²	2,583.2	2,187.0	18%	100%
Innergex's share of production of joint venture and associates	93.0	386.4	-76%	106%
TOTAL PRODUCTION PROPORTIONATE^{2,3}	2,676.2	2,573.4	4%	100%

1. This measure is not a recognized measure under IFRS and therefore may not be comparable to the one presented by other issuers. Please refer to the "Non-IFRS Measures" section of this presentation for more information.
2. Some facilities are treated as joint ventures and associates and accounted for using the equity method; their revenues are not included in the Corporation's consolidated revenues and, for consistency, their electricity production figures have been excluded from production and included in production proportionate.
3. The results from the Flat Top and Shannon joint venture facilities from April 1, 2021, onwards were excluded due to the projects' assets and liabilities being classified as disposal groups held for sale, following the February 2021 Texas Events.
4. The Mountain Air Acquisition was completed on July 15, 2020.
5. The Salvador Acquisition was completed on May 14, 2020.
6. The acquisition of the remaining 50% interest in Energía Llaima was completed on July 9, 2021, and the Licán Acquisition was completed on August 3, 2021.
7. The Curtis Palmer Acquisition was completed on October 25, 2021.

PRODUCTION PROPORTIONATE¹

	Year ended Ended December 31			
	2021	2020	Change	% LTA
HYDRO				
Quebec	688.4	717.8	-4%	98%
Ontario	75.1	68.0	11%	101%
British Columbia	2,152.5	1,961.3	10%	98%
United States ⁷	125.0	42.5	194%	109%
Chile ⁵	215.8	0.0	-%	70%
TOTAL HYDRO	3,256.8	2,789.6	17%	96%
WIND				
Quebec	2,124.5	2,357.6	-10%	92%
France	646.2	711.1	-9%	86%
United States ³	1,938.7	1,424.1	36%	99%
TOTAL WIND	4,709.4	4,492.8	5%	94%
SOLAR				
Ontario	39.0	38.7	1%	107%
United States	853.8	637.0	34%	84%
Chile ^{4,5}	196.2	115.9	69%	94%
TOTAL SOLAR	1,089.0	791.5	38%	87%
TOTAL PRODUCTION¹	9,055.2	8,073.9	12%	94%
Innergex's share of production of joint venture and associates	798.2	1,516.2	-47%	97%
TOTAL PRODUCTION PROPORTIONATE^{1,2}	9,853.4	9,590.1	3%	94%

1. This measure is not a recognized measure under IFRS and therefore may not be comparable to the one presented by other issuers. Please refer to the "Non-IFRS Measures" section of this presentation for more information.

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7. The Curtis Palmer Acquisition was completed on October 25, 2021.

YEAR-END FINANCIAL HIGHLIGHTS

In millions of Canadian dollars	Three Months Ended December 31			Twelve Months Ended December 31				
	2021	2020	Change	2021 as reported	Texas ²	2021 Norm.	2020	Change ³
CONSOLIDATED								
Production (GWh)	2,583.2	2,187.0	18%	9,055.2	-	9,055.2	8,073.9	12%
Revenues	202.4	167.9	21%	747.2	(55.0)	692.2	613.2	13%
Operation, general, administrative and prospective projects expenses	65.1	50.1	30%	221.6	-	221.6	191.1	16%
Adjusted EBITDA ¹	137.3	117.8	17%	525.6	(55.0)	470.7	422.1	12%
Adjusted EBITDA Margin ¹	67.8%	70.2%	-	70.3%	(2.3%)	68.0%	68.8%	-
Net Earnings (Loss)	5.7	11.9	(52%)	(185.4)	64.2	(121.2)	(29.1)	(316%)

1. These measures are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the "Non-IFRS Measures" section of this presentation for more information.

2. Normalized to exclude the impacts of the February 2021 Texas Events. Please refer to the "February 2021 Texas Events" section of the 2021 Annual Report for more information.

3. Variation with 2021 Normalized results.

YEAR-END FINANCIAL PROPORTIONATE HIGHLIGHTS

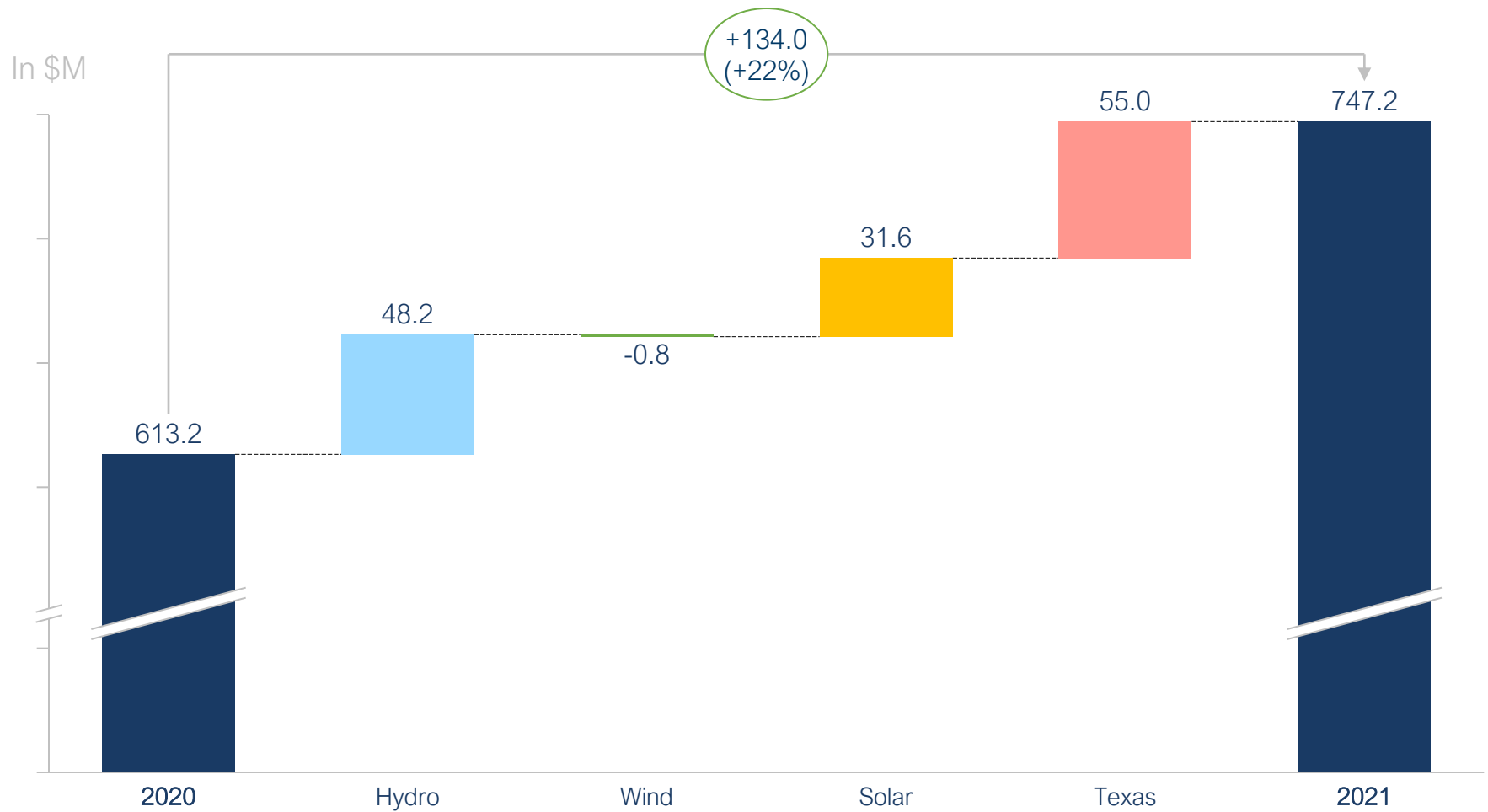
In millions of Canadian dollars	Three Months Ended December 31			Twelve Months Ended December 31				
	2021	2020	Change	2021 as reported	Texas ²	2021 Norm.	2020	Change ³
PROPORTIONATE								
Production Proportionate ¹ (GWh)	2,676.2	2,573.4	4%	9,853.4	-	9,853.4	9,590.1	3%
Revenues Proportionate ¹	231.1	211.4	9%	913.1	(95.3)	817.9	781.5	5%
Adjusted EBITDA Proportionate ¹	163.0	152.9	7%	673.7	(95.3)	578.5	560.3	3%

1. These measures are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the "Non-IFRS Measures" section of this presentation for more information.

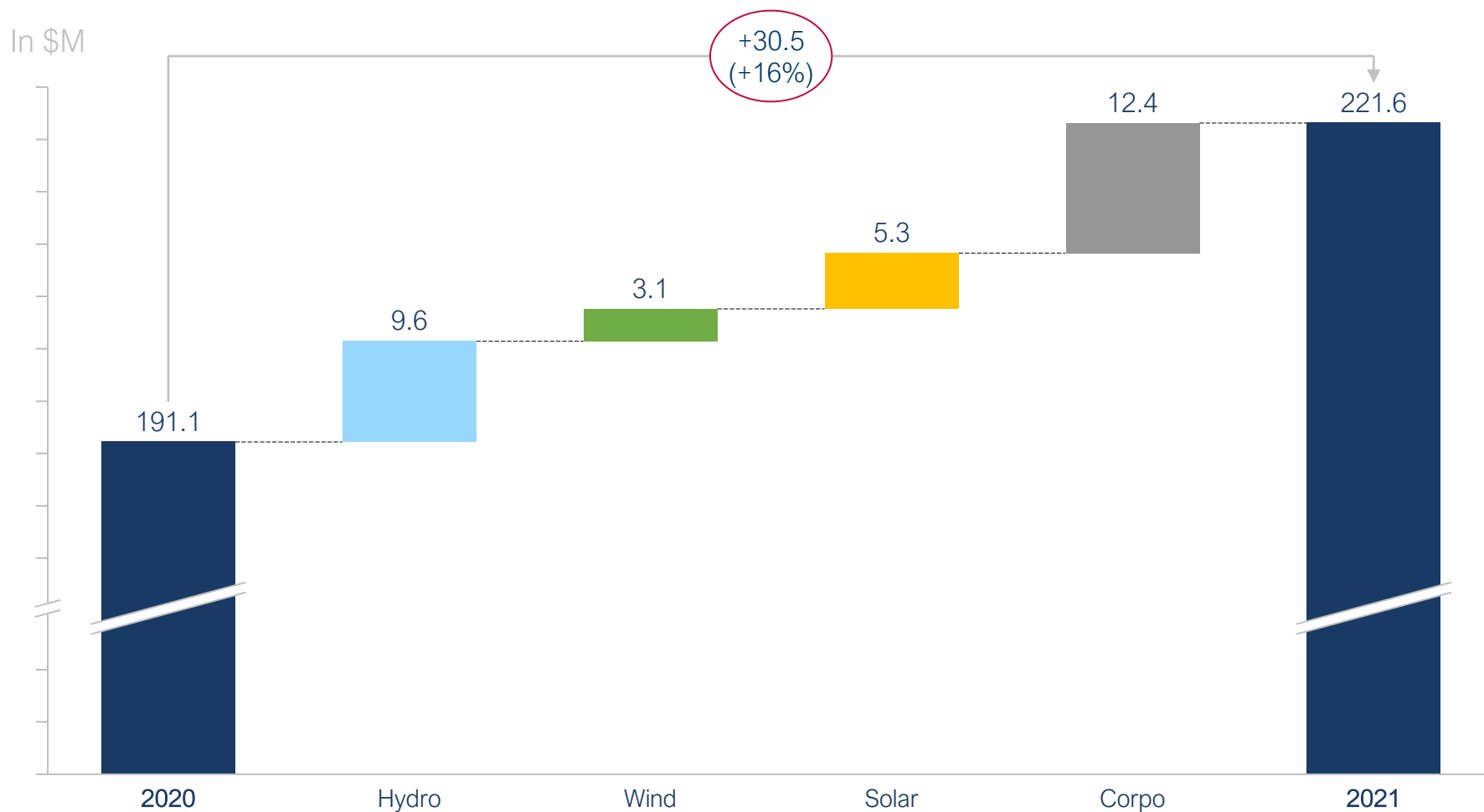
2. Normalized to exclude the impacts of the February 2021 Texas Events. Please refer to the "February 2021 Texas Events" section of the 2021 Annual Report for more information.

3. Variation with 2021 Normalized results.

YEAR-END RESULTS | REVENUES

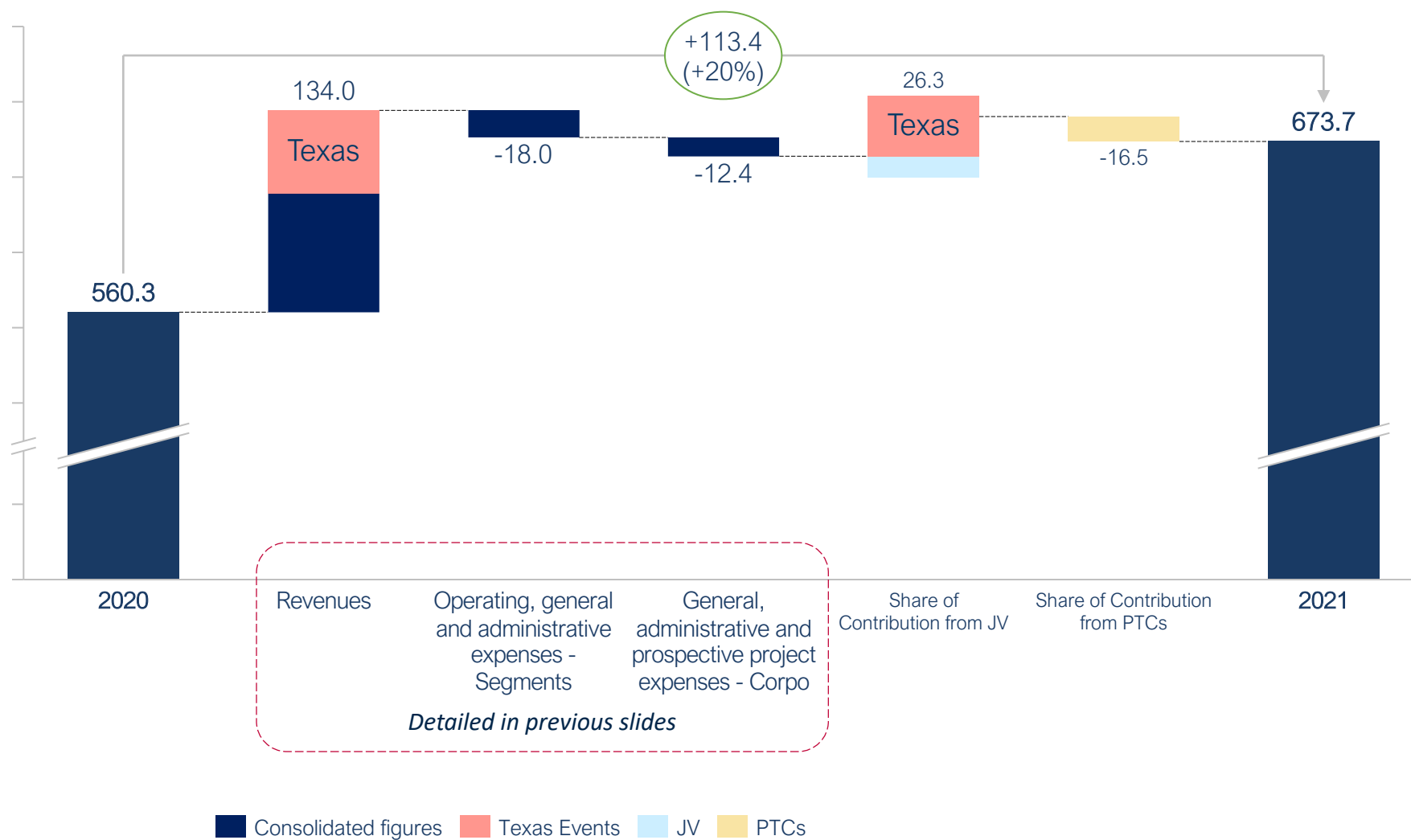


YEAR-END RESULTS | OPERATING, GENERAL, ADMINISTRATIVE AND PROSPECTIVE PROJECTS EXPENSES

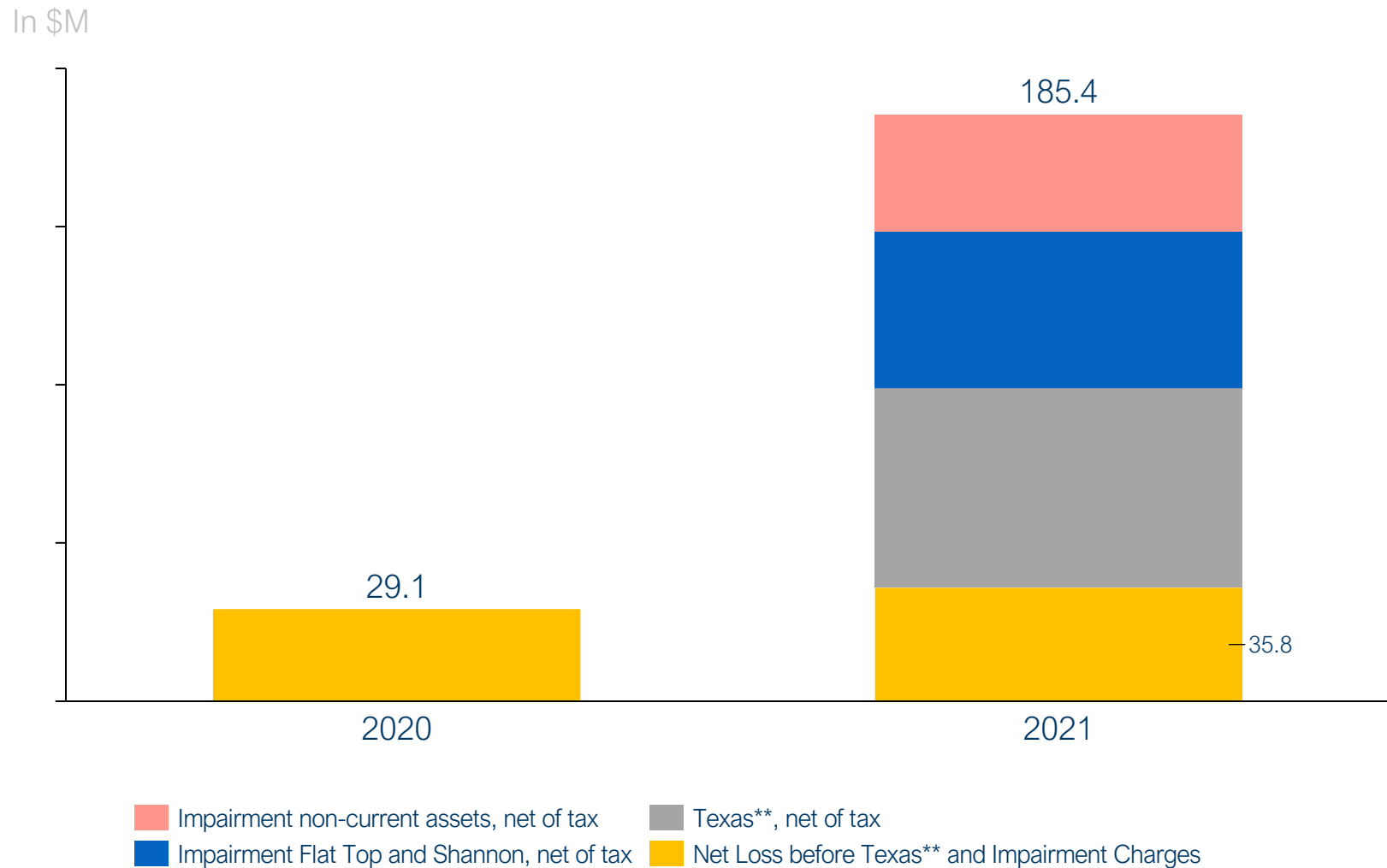


YEAR-END RESULTS | ADJUSTED EBITDA PROPORTIONATE¹

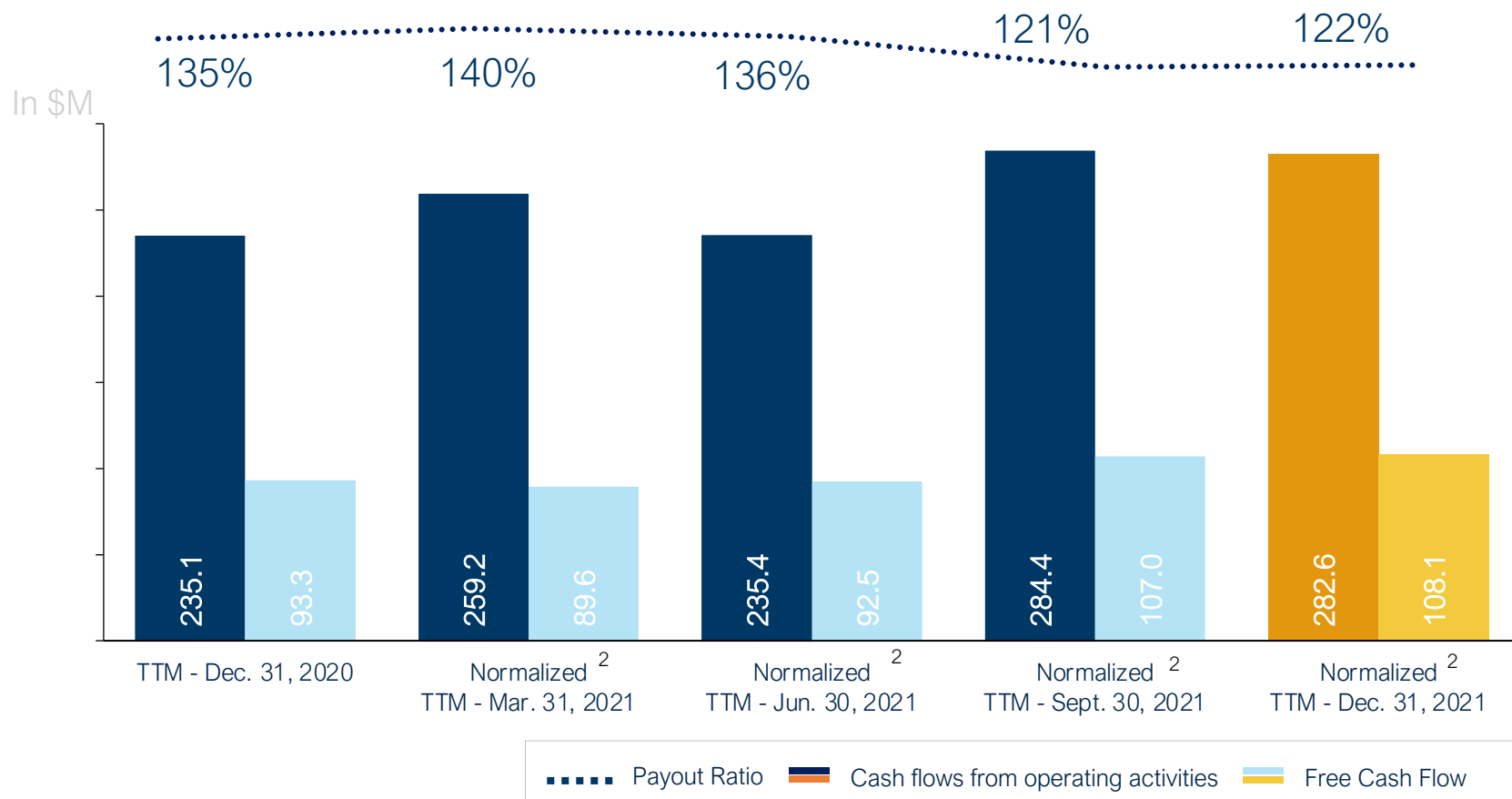
In \$M



YEAR-END RESULTS | NET LOSS



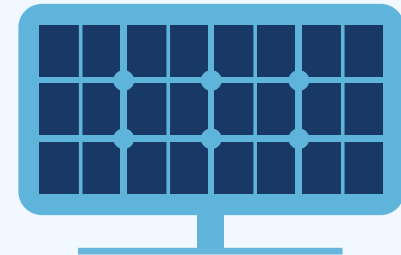
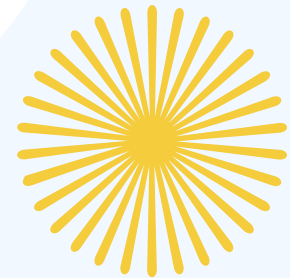
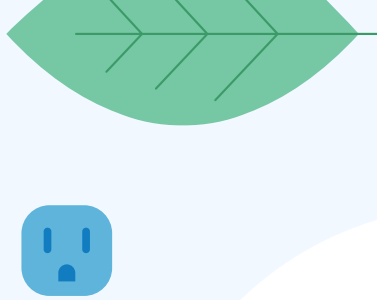
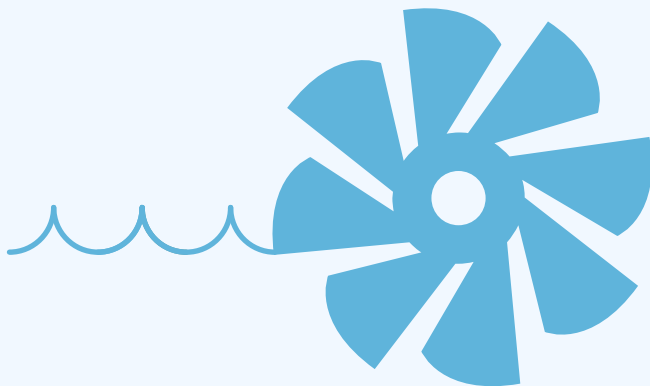
CASH FLOW FROM OPERATING ACTIVITIES, FREE CASH FLOW¹ & PAYOUT RATIO¹





Renewable Energy.
Sustainable Development.

1. About Innergex
2. Business Updates
3. Q4 2021 Financial Highlights
- 4. Corporate Strategy**
5. Appendix



2020-2025 STRATEGIC PLAN

Supported by a strong partnership with  **Hydro Québec**



Grow responsibly

Focus growth on current markets and target opportunities in neighbouring ones



Build expertise

Become an expert in deploying energy storage technologies



Optimize operations

Leverage expertise and innovation to maximize returns from our high-quality assets



Diversify activities

Increase diversification of the Corporation's activities and assets

2022 GROWTH TARGETS¹

	2021 Year-End Results	2022
	Actual Normalized ³	Target
Production (GWh) ²	9,055	approx. +18%
Revenues (in \$M)	692,241	approx. +16%
Operating, general, administrative and prospective projects expenses	221,571	approx. +18%
Adjusted EBITDA ² (in \$M)	470,670	approx. +15%
Adjusted EBITDA Proportionate ² (in \$M)	578,472	approx. +14%
Number of facilities in operation	79	82
Net installed capacity (MW)	3,101 MW	3,156

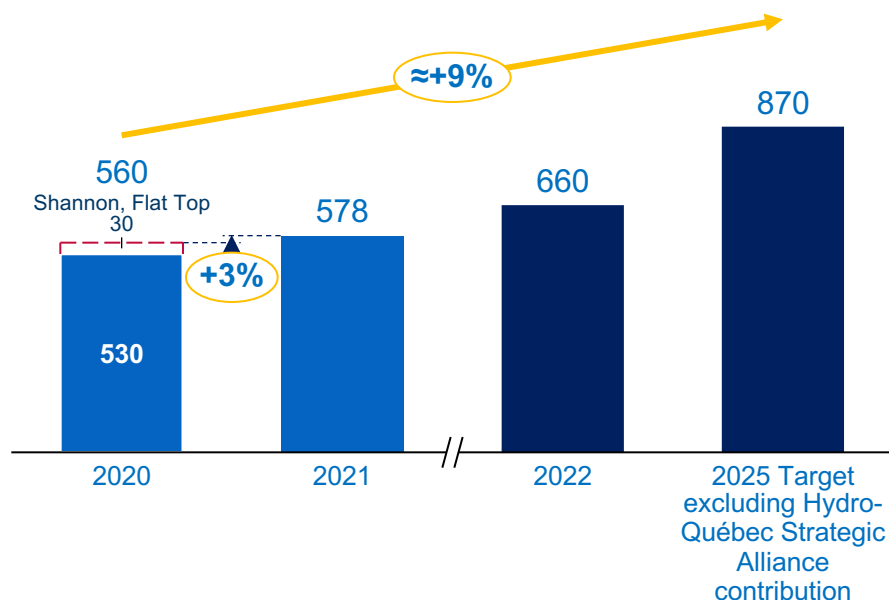
1. Results from continuing operations unless otherwise indicated.

2. These measures are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Production is a key performance indicator for the Corporation that cannot be reconciled with an IFRS measure. Please refer to the "Non-IFRS Measures" section of this presentation for more information.

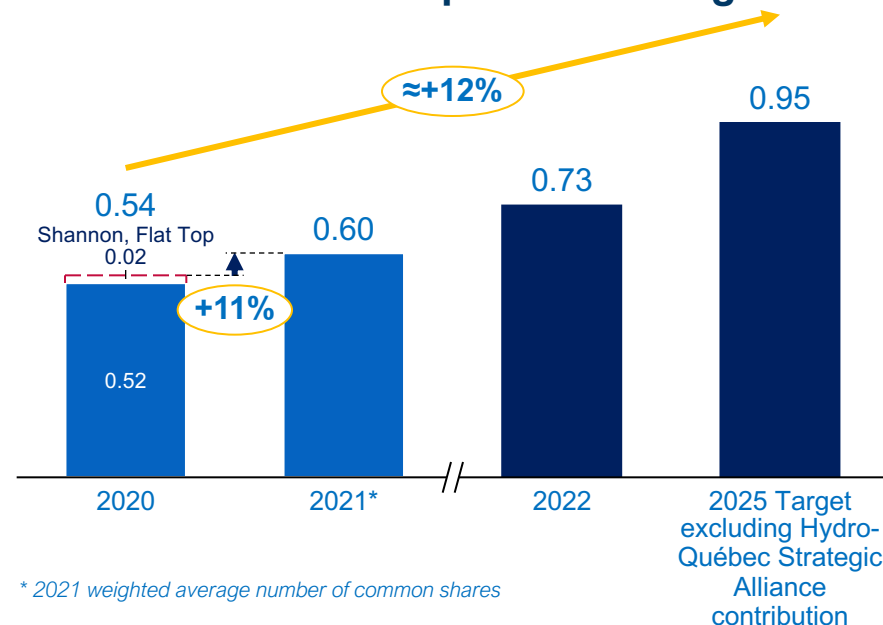
3. For the year ended December 31, 2021, the Financial Performance and Operating Results are normalized to exclude the impacts of the February 2021 Texas Events. Please refer to the "February 2021 Texas Events" section of the 2021 Annual report for more information.

2020-2025 STRATEGIC PLAN TARGETS¹

Adjusted EBITDA Proportionate Target



Free Cash Flow per Share Target



As part of its 2020-2025 Strategic Plan, **Innergex aims to achieve compound annual growth rate of:**

+ 9%

of its **Adjusted EBITDA Proportionate** by 2025

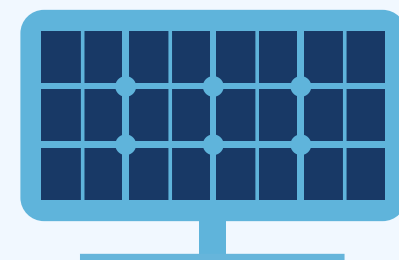
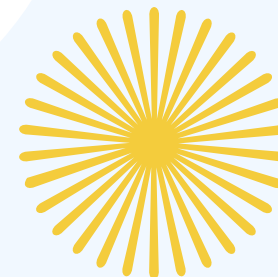
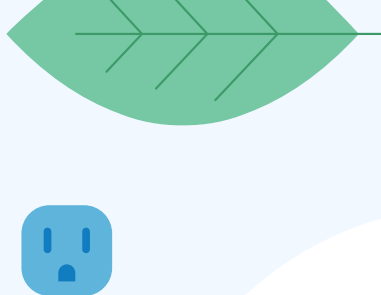
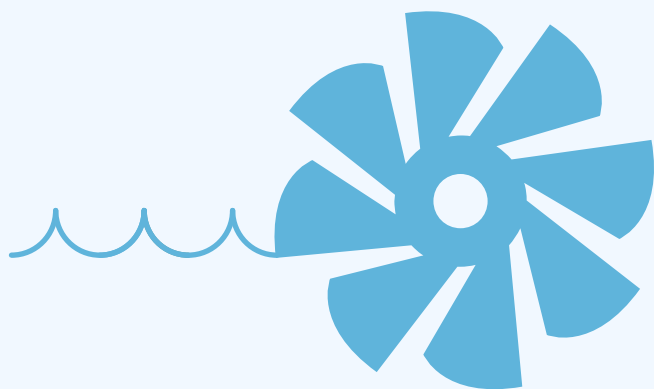
+ 12%

of its **Free Cash Flow per share** by 2025

INNERGEX

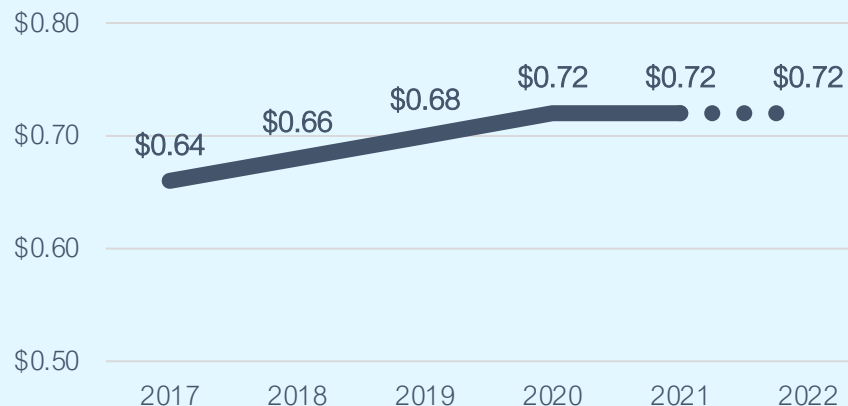
Renewable Energy.
Sustainable Development.

1. About Innergex
2. Business Updates
3. Q4 2021 Financial Highlights
4. Corporate Strategy
5. **Appendix**

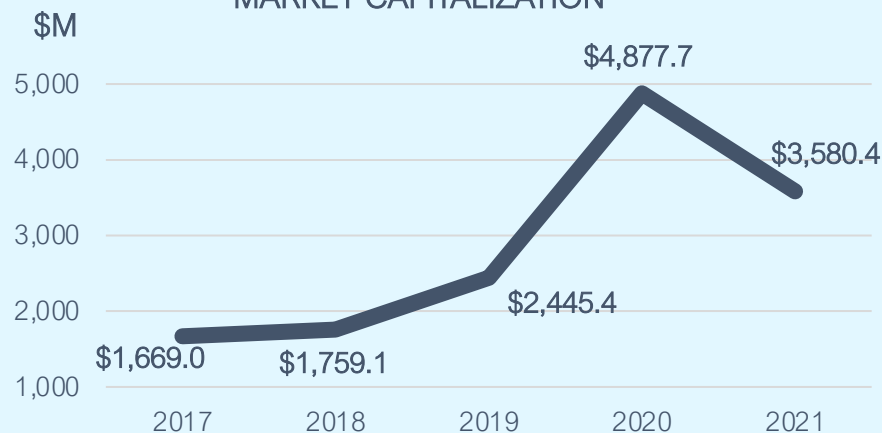


KEY METRICS

DIVIDEND



MARKET CAPITALIZATION¹



All data are as of December 31, 2021, unless otherwise noted.

1. Market capitalization includes preferred shares

2. Aggregate principal amount.

Share Price (TSX: INE)

\$18.60

Total Outstanding shares 192.5M

2021 Annual Dividend \$0.72

Convertible Debentures (INE.DB.B)² 148.0M

Convertible Debentures (INE.DB.C)² 142.1M

Preferred shares Outstanding (INE.PR.A, INE.PR.C) 5.4M

Market capitalization (including preferred shares) 3.7B

Enterprise value 8.7B

OPERATING FACILITIES – HYDRO

Innergex Renewable Energy Inc Assets	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Magpie	QC	40.6	100%	2032
St-Paulin	QC	8.0	100%	2034
Windsor	QC	5.5	100%	2036
Chaudière	QC	24.0	100%	2039
Portneuf-1	QC	8.0	100%	2021 ⁵
Portneuf-2	QC	9.9	100%	2021 ⁵
Portneuf-3	QC	8.0	100%	2021 ⁵
Montmagny	QC	2.1	100%	2046
Glen Miller	ON	8.0	100%	2025
Batawa	ON	5.0	100%	2029
Rutherford Creek	BC	49.9	100%	2024
Ashlu Creek	BC	49.9	100%	2039
Fitzsimmons Creek	BC	7.5	100%	2050
Northwest Stave River	BC	17.5	100%	2053
Miller Creek	BC	33.0	100%	2023
Brown Lake ²	BC	7.2	100%	2022
Tretheway Creek	BC	21.2	100%	2055
Big Silver Creek	BC	40.6	100%	2056
Upper Lillooet	BC	81.4	100%	2057
Boulder Creek	BC	25.3	100%	2057
Horseshoe Bend	ID	9.5	100%	2030
Mampil	CL	55.0	100%	~ ³
Peuchén	CL	85.0	100%	~ ³
Licán	CL	18.0	100%	-

1. PPA expiry are as at December 31, 2021 and are updated on an annual basis.

2. PUC's PPA review process is ongoing.

3. Duquenco has presently 5 different PPAs expiring in 2021, 2023, 2024 and 2025.

4. Expires upon the earlier of either December 31, 2027 or the delivery of cumulative 10,000 GWh.

5 The PPAs for the Portneuf Facilities reached the end of their initial 25-year term in May 2021. Innergex sent to Hydro-Québec its notice of automatic renewal for an additional 25-year term. Discussions on the renewal terms and conditions are underway, in accordance with the renewal process of the initial PPA.

Non-wholly Owned	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Cayoose (Walden North) ²	BC	16.0	51%	2024
Sainte-Marguerite - (SM-1)	QC	8.5	50%	2043
Sainte-Marguerite - (SM-1A)	QC	22.0	50%	2027
Douglas Creek	BC	27.0	50%	2049
Fire Creek	BC	23.0	50%	2049
Lamont Creek	BC	27.0	50%	2049
Stokke Creek	BC	22.0	50%	2049
Tipella Creek	BC	18.0	50%	2049
Upper State River Creek	BC	33.0	50%	2049
Kwoiek Creek	BC	49.9	50%	2054
Guayacán	CL	12.0	69.47%	2025
Palmer Falls	NY	48.0	50%	2027 ⁴
Curtis Mills	NY	12.0	50%	2027 ⁴

Joint Venture	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
East Toba	BC	147.7	40%	2045
Montrose Creek	BC	88.0	40%	2045
Jimmie Creek	BC	62.0	51%	2056
Umbata Falls	ON	23.0	49%	2028

OPERATING FACILITIES - WIND

Innergex Renewable Energy Inc Assets	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Carleton	QC	109.5	100%	2028
Baie-des-Sables	QC	109.5	100%	2026
Anse-à-Valleau	QC	100.5	100%	2027
Montagne Sèche	QC	58.5	100%	2031
Gros Morne	QC	211.4	100%	2032
Foard City	TX	350.0	100%	2031
Griffin Trail	TX	225.6	100%	-

Joint Venture	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Viger-Denonville	QC	24.6	50%	2033
Dokie	BC	144.0	25.5%	2036

Non-wholly Owned	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Mesgi'g Ugju's'n (MU)	QC	150.0	50%	2036
Porcien	FR	10.0	69.6%	2024
Longueval	FR	10.0	69.6%	2024
Antoigné	FR	8.0	69.6%	2025
Valottes	FR	12.0	69.6%	2025
Bois D'Anchat (Binas)	FR	10.0	69.6%	2029
Beaumont (Park P)	FR	25.0	69.6%	2029
Bois des Cholletz	FR	11.8	69.6%	2030
Montjean	FR	12.0	69.6%	2031
Theil Rabier	FR	12.0	69.6%	2031
Yonne	FR	44.0	69.6%	2032
Yonne II	FR	6.9	69.6%	2041
Vaite	FR	38.9	69.6%	2032
Rougemont-1	FR	36.1	69.6%	2032
Rougemont-2	FR	44.5	69.6%	2032
Plan de Fleury	FR	22.0	69.6%	2032
Les Renardières	FR	21.0	69.6%	2032
Cold Springs	ID	23.0	62.25%	2032
Desert Meadow	ID	23.0	62.25%	2032
Hammett Hill	ID	23.0	62.25%	2032
Mainline	ID	23.0	62.25%	2032
Ryegrass	ID	23.0	62.25%	2032
Two Ponds	ID	23.0	62.25%	2032

1. PPA expiry are as at December 31, 2021 and are updated on an annual basis.

OPERATING FACILITIES - SOLAR

Innergex Renewable Energy Inc Assets	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Amazon Solar Farm Ohio – Hillcrest	OH	200.0	100%	2036
Phoebe	TX	250.0	100%	2031
Salvador	CL	68.0	100%	2030
Spartan	MI	10.5	100%	2042
Stardale	ON	27.0	100%	2032
San Andrés	CL	50.6	100%	-

Non-wholly Owned	Location	Gross capacity (MW)	Ownership (%)	PPA expiry ¹
Kokomo	IN	6.0	90%	2036
Pampa Elvira	CL	34.0	55.3%	2023

FORWARD-LOOKING INFORMATION

To inform readers of the Corporation's future prospects, this document contains forward-looking information within the meaning of applicable securities laws ("Forward-Looking Information"), including the Corporation's growth targets, power production, prospective projects, successful development, construction and financing (including tax equity funding) of the projects under construction and the advanced-stage prospective projects, sources and impact of funding, project acquisitions, execution of non-recourse project-level financing (including the timing and amount thereof), and strategic, operational and financial benefits and accretion expected to result from such acquisitions, business strategy, future development and growth prospects (including expected growth opportunities under the Strategic Alliance with Hydro-Québec), business integration, governance, business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. Forward-Looking Information can generally be identified by the use of words such as "approximately", "may", "will", "could", "believes", "expects", "intends", "should", "would", "plans", "potential", "project", "anticipates", "estimates", "scheduled" or "forecasts", or other comparable terms that state that certain events will or will not occur. It represents the projections and expectations of the Corporation relating to future events or results as of the date of this document.

Future-oriented financial information: Forward-Looking Information includes future-oriented financial information or financial outlook within the meaning of securities laws, including information regarding the Corporation's targeted production, the estimated project costs, targeted revenues, targeted Revenues Proportionate, targeted Adjusted EBITDA and targeted Adjusted EBITDA Proportionate, targeted Free Cash Flow, targeted Free Cash Flow per Share and intention to pay dividend quarterly, the estimated project size, costs and schedule, including obtaining of permits, start of construction, work conducted and start of commercial operation for Development Projects and Prospective Projects, the Corporation's intent to submit projects under Requests for Proposals, the qualification of U.S. projects for PTCs and ITCs and other statements that are not historical facts. Such information is intended to inform readers of the potential financial impact of expected results, of the expected commissioning of Development Projects, of the potential financial impact of completed and future acquisitions and of the Corporation's ability to sustain current dividends and to fund its growth. Such information may not be appropriate for other purposes.

Assumptions: Forward-Looking Information is based on certain key assumptions made by the Corporation, including, without restriction, those concerning hydrology, wind regimes and solar irradiation; performance of operating facilities, acquisitions and commissioned projects; project performance; availability of capital resources and timely performance by third parties of contractual obligations; favourable market conditions for share issuance to support growth financing; favourable economic and financial market conditions; the Corporation's success in developing and constructing new facilities; successful renewal of PPAs; sufficient human resources to deliver service and execute the capital plan; no significant event occurring outside the ordinary course of business such as a natural disaster, pandemic or other calamity; continued maintenance of information technology infrastructure and no material breach of cybersecurity. Please refer to Section 5 - Outlook of the 2021 Annual Report for details regarding the assumptions used with respect to the 2022 growth targets and outlook for the 2020-2025 Strategic Plan.

Risks and Uncertainties: Forward-Looking Information involves risks and uncertainties that may cause actual results or performance to be materially different from those expressed, implied or presented by the Forward-Looking Information. These are referred to in the "Risks and Uncertainties" section of the Annual Report and include, without limitation: performance of major counterparties; equipment supply; delays and cost overruns in the design and construction of projects; health, safety and environmental risks; equipment failure or unexpected operations and maintenance activity; variability of installation performance and related penalties; increase in water rental cost or changes to regulations applicable to water use; availability and reliability of transmission systems; assessment of water, wind and solar resources and associated electricity production; global climate change; variability in hydrology, wind regimes and solar irradiation; preparedness to facing natural disasters and force majeure; pandemic, epidemics or other public health emergencies; cybersecurity; reliance on shared transmission and interconnection infrastructure; inability of the Corporation to execute its strategy for building shareholder value; inability to raise additional capital and the state of the capital market; inability to secure new PPAs or renew any PPA; reliance on various forms of PPAs; volatility of supply and demand in the energy market; fluctuations affecting prospective power prices; uncertainties surrounding development of new facilities; obtaining of permits; inability to realize the anticipated benefits of completed and future acquisitions; integration of the completed and future acquisitions; changes in governmental support to increase electricity to be generated from renewable sources by independent power producers; regulatory and political risks; risks related to U.S. production and investment tax credits, changes in U.S. corporate tax rates and availability of tax equity financing; exposure to many different forms of taxation in various jurisdictions; social acceptance of renewable energy projects; relationships with stakeholders; inability to secure appropriate land; foreign market growth and development risks; liquidity risks related to derivative financial instruments; interest rate fluctuations and refinancing; financial leverage and restrictive covenants governing current and future indebtedness; changes in general economic conditions; foreign exchange fluctuations; possibility that the Corporation may not declare or pay a dividend; insufficiency of insurance coverage; ability to attract new talent or to retain officers or key employees; litigation; credit rating may not reflect actual performance of the Corporation or a lowering (downgrade) of the credit rating; revenues from certain facilities will vary based on the market (or spot) price of electricity; host country economic, social and political conditions; adverse claims to property title; reliance on intellectual property and confidential agreements to protect the Corporation's rights and confidential information; and reputational risks arising from misconduct of representatives of the Corporation.

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this Forward-Looking Information, as no assurance can be given that it will prove to be correct. Forward-Looking Information contained herein is provided as at the date of this document, and the Corporation does not undertake any obligation to update or revise any Forward-Looking Information, whether as a result of events or circumstances occurring after the date hereof, unless so required by law.

NON-IFRS MEASURES

This document has been prepared in accordance with IFRS. However, some measures referred to in this document are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Innergex believes these indicators are important, as they provide management and the reader with additional information about Innergex's production and cash generation capabilities, its ability to sustain current dividends and its ability to fund its growth. These indicators also facilitate the comparison of results over different periods. Innergex's share of Revenues of joint ventures and associates, Revenues Proportionate, Adjusted EBITDA, Adjusted EBITDA Margin, Innergex's share of Adjusted EBITDA of joint ventures and associates, Adjusted EBITDA Proportionate, Adjusted EBITDA Margin Proportionate, Adjusted Net (Loss) Earnings, Free Cash Flow, Adjusted Free Cash Flow, Payout Ratio and Adjusted Payout Ratio, are not measures recognized by IFRS and have no standardized meaning prescribed by IFRS.

Production, Revenues, Adjusted EBITDA, and corresponding Margin and Proportionate measures

References in this document to "Innergex's share of Production of the joint ventures and associates" are to Innergex's equity interest in the joint ventures' and associates' Production.

References in this document to "Innergex's share of Revenues of the joint ventures and associates" are to Innergex's equity interest in the joint ventures' and associates' Revenues. References in this document to "Revenues Proportionate" are to Revenues, plus Innergex's share of Revenues of the joint ventures and associates, other income related to PTCs, and Innergex's share of the operating joint ventures' and associates' other income related to PTCs.

References in this document to "Adjusted EBITDA" are to net earnings (loss), to which are added (deducted) income tax expense (recovery), finance costs, depreciation and amortization, impairment charges, other net income, share of (earnings) loss of joint ventures and associates, and change in fair value of financial instruments. References in this document to "Innergex's share of Adjusted EBITDA of joint ventures and associates" are to Innergex's equity interest in the joint ventures' and associates' Adjusted EBITDA. References in this document to "Adjusted EBITDA Proportionate" are to Adjusted EBITDA, plus Innergex's share of Adjusted EBITDA of the joint ventures and associates, other income related to PTCs, and Innergex's share of other income related to PTCs of the joint ventures and associates.

References in this document to "Adjusted EBITDA Margin" are to Adjusted EBITDA divided by revenues. References in this document to "Adjusted EBITDA Margin Proportionate" are to Adjusted EBITDA Proportionate, divided by Revenues Proportionate.

Innergex believes that the presentation of these measures enhances the understanding of the Corporation's operating performance. Readers are cautioned that Innergex's share of Revenues of joint ventures and associates, and Revenues Proportionate, should not be construed as an alternative to Revenues, as determined in accordance with IFRS. Readers are also cautioned that Adjusted EBITDA, Innergex's share of Adjusted EBITDA of joint ventures and associates, Adjusted EBITDA Proportionate, Adjusted EBITDA Margin, and Adjusted EBITDA Margin Proportionate, should not be construed as an alternative to net earnings, as determined in accordance with IFRS. Please refer to the "Financial Performance and Operating Results" section for more information.

NON-IFRS MEASURES

	Three months ended December 31						Year ended December 31					
	2021			2020			2021			2020		
	Production (MWh)	Revenues	Adjusted EBITDA	Production (MWh)	Revenues	Adjusted EBITDA	Production (MWh)	Revenues	Adjusted EBITDA	Production (MWh)	Revenues	Adjusted EBITDA
Consolidated ¹	2,583,157	202,388	137,311	2,186,961	167,927	117,830	9,055,215	747,208	525,637	8,073,914	613,207	422,109
Innergex's share of joint ventures and associates:												
Hydro ³	55,997	7,507	5,029	129,076	14,413	10,354	481,505	50,547	38,547	582,738	64,395	49,826
Wind ²	37,003	4,752	4,210	253,890	8,915	4,861	311,106	60,489	54,989	920,773	31,512	16,840
Solar	—	—	—	3,431	455	240	5,540	885	554	12,715	1,875	1,076
	93,000	12,259	9,239	386,397	23,783	15,455	798,151	111,921	94,090	1,516,226	97,782	67,742
PTCs and Innergex's share of PTCs generated:												
Foard City		10,522	10,522		12,569	12,569		38,645	38,645		43,850	43,850
Griffin Trail		5,882	5,882		—	—		9,339	9,339		—	—
Shannon (50%) ²		—	—		3,130	3,130		2,767	2,767		11,616	11,616
Flat Top (51%) ²		—	—		3,946	3,946		3,267	3,267		15,011	15,011
		16,404	16,404		19,645	19,645		54,018	54,018		70,477	70,477
Proportionate	2,676,157	231,051	162,954	2,573,358	211,355	152,930	9,853,366	913,147	673,745	9,590,140	781,466	560,328
Adjusted EBITDA Margin			67.8 %			70.2 %			70.3 %			68.8 %
Adjusted EBITDA Margin Proportionate			70.5 %			72.4 %			73.8 %			71.7 %

1. Some facilities are treated as joint ventures and associates and accounted for using the equity method; their revenues are not included in the Corporation's consolidated revenues and, for consistency, their electricity production figures have been excluded from production and included in production proportionate.
2. The results from the Flat Top and Shannon joint venture facilities from April 1, 2021 onward were excluded due to the projects' assets and liabilities being classified as disposal groups held for sale, following the February 2021 Texas Events.
3. Innergex has acquired, effective July 9, 2021, the remaining 50% interest in Energia Llama; therefore gaining control over the investee, which triggered consolidation and concurrently results are excluded from share of joint ventures.

NON-IFRS MEASURES

Below is a reconciliation of the non-IFRS measures to their closest IFRS measures:

	Three months ended December 31		Year ended December 31	
	2021	2020	2021	2020
Revenues	202,388	167,927	747,208	613,207
Innergex's share of Revenues of joint ventures and associates	12,259	23,783	111,921	97,782
PTCs and Innergex's share of PTCs generated	16,404	19,645	54,018	70,477
Revenues Proportionate	231,051	211,355	913,147	781,466
Net earnings (loss)	5,743	11,894	(185,394)	(29,111)
Income tax expense (recovery)	37,158	7,357	(26,240)	18,897
Finance costs	67,417	57,443	252,255	233,143
Depreciation and amortization	77,748	58,465	255,640	228,526
Impairment of long-term assets	12	26,659	36,986	26,659
EBITDA	188,078	161,818	333,247	478,114
Other net income	(34,565)	(7,304)	(89,621)	(65,554)
Share of (earnings) losses of joint ventures and associates	(791)	(13,874)	189,889	7,524
Change in fair value of financial instruments	(15,411)	(22,810)	92,122	2,025
Adjusted EBITDA	137,311	117,830	525,637	422,109
Innergex's share of Adjusted EBITDA of joint ventures and associates	9,239	15,455	94,090	67,742
PTCs and Innergex's share of PTCs generated	16,404	19,645	54,018	70,477
Adjusted EBITDA Proportionate	162,954	152,930	673,745	560,328
Adjusted EBITDA Margin	67.8 %	70.2 %	70.3 %	68.8 %
Adjusted EBITDA Margin Proportionate	70.5 %	72.4 %	73.8 %	71.7 %

NON-IFRS MEASURES

Adjusted Net (Loss) Earnings

References to "Adjusted Net (Loss) Earnings" are to net earnings or losses of the Corporation, to which the following elements are added (subtracted): unrealized portion of the change in fair value of financial instruments; realized portion of the Phoebe basis hedge, realized loss on the termination of interest rate swaps, realized gain on foreign exchange forward contracts, impairment charges, specific unusual or non-recurring events such as the February 2021 Texas Events, the net income tax expense (recovery) related to these items, and the share of loss (income) of joint ventures and associates related to the above items, net of related income tax.

The Adjusted Net (Loss) Earnings seeks to provide a measure that eliminates the earnings impacts of certain derivative financial instruments and non-recurring events, which do not represent the Corporation's operating performance. Innergex uses derivative financial instruments to hedge its exposure to various risks. Accounting for derivatives requires that all derivatives are marked-to-market. When hedge accounting is not applied, changes in the fair value of the derivatives is recognized directly in net earnings (loss). Such unrealized changes have no immediate cash effect, may or may not reverse by the time the actual settlements occur and do not reflect the Corporation's business model toward derivatives, which are held for their long-term cash flows, over the whole life of a project. In addition, the Corporation uses foreign exchange forward contracts to hedge its net investment in its French subsidiaries. Management therefore believes realized gains (losses) on such contracts does not reflect the operations of Innergex.

Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Readers are cautioned that Adjusted Net (Loss) Earnings should not be construed as an alternative to net earnings, as determined in accordance with IFRS. Please refer to the "Operating Results" section for reconciliation of the Adjusted Net (Loss) Earnings.

Below is a reconciliation of Adjusted Net (Loss) Earnings to its closest IFRS measure:

	Three months ended December 31		Year ended December 31	
	2021	2020	2021	2020
Net earnings (loss)	5,743	11,894	(185,394)	(29,111)
Add (Subtract):				
February 2021 Texas Events:				
Revenues	—	—	(54,967)	—
Power hedge	—	—	70,756	—
Share of loss of Flat Top and Shannon	—	—	64,197	—
Share of impairment of Flat Top and Shannon	—	—	112,609	—
Share of unrealized portion of the change in fair value of financial instruments of joint ventures and associates, net of related income tax	(377)	(7,935)	20,226	15,722
Unrealized portion of the change in fair value of financial instruments	(15,751)	(21,125)	18,502	(8,329)
Impairment of long-term assets	12	26,659	36,986	26,659
Realized (gain) loss on termination of interest rate swaps	(377)	—	2,508	—
Realized (gain) loss on the Phoebe basis hedge	(955)	133	(2,546)	19,586
Realized gain on foreign exchange forward contracts	(2,193)	(150)	(4,074)	(1,730)
Income tax expense related to above items	3,924	3,514	(85,754)	(486)
Adjusted Net (Loss) Earnings	(9,974)	12,990	(6,951)	22,311

NON-IFRS MEASURES

Below is a reconciliation of Adjusted Net (Loss) Earnings adjustments to each line item of the consolidated statements of earnings:

	Three months ended December 31						Year ended December 31					
	2021			2020			2021			2020		
	IFRS	Adj.	Non-IFRS	IFRS	Adj.	Non-IFRS	IFRS	Adj.	Non-IFRS	IFRS	Adj.	Non-IFRS
Revenues	202,388	—	202,388	167,927	—	167,927	747,208	(54,967)	692,241	613,207	—	613,207
Operating expenses	42,555	—	42,555	36,510	—	36,510	149,106	—	149,106	131,442	—	131,442
General and administrative expenses	12,813	—	12,813	9,979	—	9,979	45,098	—	45,098	42,948	—	42,948
Prospective projects expenses	9,709	—	9,709	3,608	—	3,608	27,367	—	27,367	16,708	—	16,708
Adjusted EBITDA	137,311	—	137,311	117,830	—	117,830	525,637	(54,967)	470,670	422,109	—	422,109
Finance costs	67,417	—	67,417	57,443	—	57,443	252,255	—	252,255	233,143	—	233,143
Other net income	(34,565)	2,193	(32,372)	(7,304)	150	(7,154)	(89,621)	4,074	(85,547)	(65,554)	1,730	(63,824)
Depreciation and amortization	77,748	—	77,748	58,465	—	58,465	255,640	—	255,640	228,526	—	228,526
Impairment of long-term assets	12	(12)	—	26,659	(26,659)	—	36,986	(36,986)	—	26,659	(26,659)	—
Share of (earnings) losses of joint ventures and associates	(791)	519	(272)	(13,874)	10,228	(3,646)	189,889	(202,312)	(12,423)	7,524	(19,989)	(12,465)
Change in fair value of financial instruments	(15,411)	17,083	1,672	(22,810)	20,992	(1,818)	92,122	(89,220)	2,902	2,025	(11,257)	(9,232)
Income tax expense (recovery)	37,158	(4,066)	33,092	7,357	(5,807)	1,550	(26,240)	91,034	64,794	18,897	4,753	23,650
Net earnings (loss)	5,743	(15,717)	(9,974)	11,894	1,096	12,990	(185,394)	178,443	(6,951)	(29,111)	51,422	22,311

NON-IFRS MEASURES

Free Cash Flow and Payout Ratio

References to “Free Cash Flow” are to cash flows from operating activities before changes in non-cash operating working capital items, less maintenance capital expenditures net of proceeds from disposals, scheduled debt principal payments, the portion of Free Cash Flow attributed to non-controlling interests, and preferred share dividends declared, plus or minus other elements that are not representative of the Corporation's long-term cash-generating capacity, such as gains and losses on the Phoebe basis hedge due to their limited occurrence over the next 12 months, realized gains and losses on contingent considerations related to past business acquisitions, transaction costs related to realized acquisitions, realized losses or gains on derivative financial instruments used to hedge the interest rate on project-level debt or the exchange rate on equipment purchases.

The Payout Ratio is a measure of the Corporation's ability to sustain current dividends as well as its ability to fund its growth. The Payout Ratio level reflects the Corporation's decision to invest yearly in advancing the development of its Prospective Projects, for which investments must be expensed as incurred. The Corporation considers such investments essential to its long-term growth and success, as it believes that the greenfield development of renewable energy projects offers the greatest potential internal rates of return and represents the most efficient use of management's expertise and value-added skills. Innergex believes that the presentation of this measure enhances the understanding of the Corporation's cash generation capabilities, its ability to sustain current dividends and its ability to fund its growth. Readers are cautioned that Free Cash Flow should not be construed as an alternative to cash flows from operating activities, as determined in accordance with IFRS. Please refer to the “Free Cash Flow and Payout Ratio” section for the reconciliation of Free Cash Flow.

References to “Adjusted Free Cash Flow” are to Free Cash Flow excluding prospective project expenses.

References to “Payout Ratio” are to dividends declared on common shares divided by Free Cash Flow. Innergex believes that this is a measure of its ability to sustain current dividends as well as its ability to fund its growth.

NON-IFRS MEASURES

Free Cash Flow and Payout Ratio calculation

	Year ended December 31				
	2021	February 2021 Texas Events (9 days) ⁵	2021 Normalized	2020	2019
Cash flows from operating activities	265,498	17,093	282,591	235,108	240,065
<i>Add (Subtract) the following items:</i>					
Changes in non-cash operating working capital items	21,455	—	21,455	7,765	(25,634)
Maintenance capital expenditures, net of proceeds from disposals	(8,029)	—	(8,029)	(2,828)	(8,752)
Scheduled debt principal payments	(160,973)	—	(160,973)	(151,623)	(128,691)
Free Cash Flow attributed to non-controlling interests ¹	(25,076)	—	(25,076)	(13,491)	(12,679)
Dividends declared on Preferred shares	(5,632)	—	(5,632)	(5,942)	(5,942)
<i>Add (subtract) the following non-recurring elements²:</i>					
Realized loss on contingent considerations	547	—	547	3,021	—
Realized loss on termination of interest rate swaps	2,508	—	2,508	—	4,145
Transaction costs related to realized acquisitions	4,563	—	4,563	1,664	266
Realized (gain) loss on the Phoebe basis hedge ³	(2,546)	(1,304)	(3,850)	19,586	11,697
Income tax paid on realized intercompany gain	—	—	—	—	10,594
Recovery of maintenance capital expenditures and prospective project expenses on sale of HS Orka, net of attribution to non-controlling interests ⁴	—	—	—	—	8,242
Free Cash Flow ⁵	92,315	15,789	108,104	93,260	93,311
Dividends declared on common shares	132,229	—	132,229	125,543	95,046
Payout Ratio ⁵	143 %	(20) %	122 %	135 %	102 %
<i>Adjust for the following items:</i>					
Prospective projects expenses			27,367	16,708	12,905
Adjusted Free Cash Flow			135,471	109,968	106,216
Adjusted Payout Ratio			98 %	114 %	89 %

1. The portion of Free Cash Flow attributed to non-controlling interests is subtracted, regardless of whether an actual distribution to non-controlling interests is made, in order to reflect the fact that such distributions may not occur in the period they are generated.
2. Non-recurring elements, such as one-time transaction costs related to acquisitions, refinancing activities, or fiscal strategies, incurred for the purpose of improving the long-term cash generating capacity of Innergex, are excluded from Free Cash Flow, as they are deemed not to represent the long-term cash-generating capacity of Innergex.
3. Due to their limited occurrence (maturity attained on December 31, 2021), gains and losses on the Phoebe basis hedge are deemed not to represent the long-term cash-generating capacity of Innergex.
4. The sale of HS Orka has allowed for the recovery of maintenance capital expenditures and prospective project expenses incurred thereon since the acquisition of the project in February 2018, totaling \$5.7 million and \$9.6 million, respectively. An amount of \$7.1 million was deducted from the total recovery as it pertains to non-controlling interests.
5. For the year ended December 31, 2021, the Free Cash Flow and Payout Ratio are normalized to exclude the impacts of the February 2021 Texas Events. Please refer to the "February 2021 Texas Events" section of the 2021 Annual Report for more information.



Renewable Energy.
Sustainable Development.

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