



## OUR PATH TO NET-ZERO

Algonquin's net-zero goal is supported by our track record of transitioning to greener solutions, extensive experience in regulated utility management, and deep expertise in renewables development.

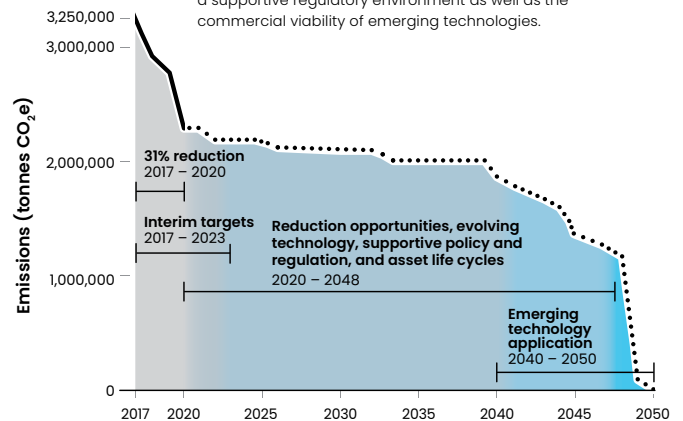
### Setting a Net-Zero Goal

**Algonquin has established a goal of net-zero by 2050 for scope 1 and scope 2 emissions across our business operations.**

- This goal is deeply rooted in Algonquin's purpose of *sustaining energy and water for life* and is a reflection of our track record of being a leader in the transition to a low-carbon economy.
- Algonquin's net-zero by 2050 pathway is based on analysis performed on our existing assets and incorporates emissions reduction opportunities determined through the analysis while also assuming a supportive regulatory environment as well as the commercial viability of evolving and emerging technologies.
- Algonquin is committed to a just transition of employees as we move towards cleaner, greener energy and water solutions, and will seek to offer retraining and new opportunities for employees transitioning to different roles as a result of decarbonization activities.

### 2050 net-zero pathway

Our 2050 net-zero pathway is based on analysis performed on Algonquin's assets, and incorporates emissions reduction opportunities while assuming a supportive regulatory environment as well as the commercial viability of emerging technologies.



### Net-zero emissions reduction opportunities and technology innovations



**Greening the Fleet**  
Transitioning to renewable generation



**Heating with green fuels**  
Introducing renewable natural gas (RNG) and green hydrogen to our distribution network



**Fugitive emissions capture**  
Incorporating innovative technologies



**Pipe leak reduction**  
Upgrading and replacing infrastructure



**Transmission and distribution loss avoidance**  
Upgrading and replacing infrastructure



**Replace grid electricity with renewable electricity**  
Enhancing behind-the-meter solutions



**Regulatory engagement**  
Working with governments and regulators to develop effective Integrated Resource Plans (IRPs)



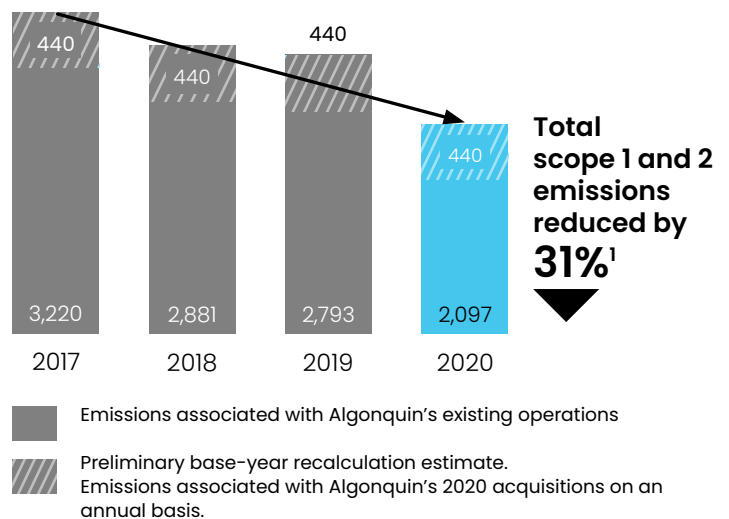
### Demonstrated Track Record

Algonquin is dedicated to its role as a steward of energy and water assets and has demonstrated significant emissions reduction results to date.

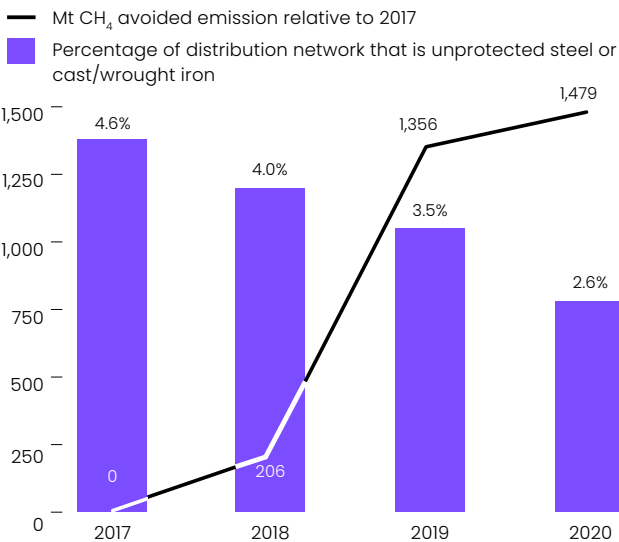
As at December 31, 2020:

- Enterprise greenhouse gas (GHG) emissions were reduced by 31%<sup>1</sup> from 2017 through 2020.
- Algonquin's mid-west operations emissions were reduced by 33% from 2017 through 2020.
- Algonquin's California-based electric operations' emissions were reduced by 38% from 2017 levels through 2020.

kt CO<sub>2</sub>e



### Methane emissions avoided through infrastructure upgrades



- Algonquin's robust gas pipe replacement program has been making great progress for the last several years while balancing the impact on customers with regulatory support. Under the Environmental Protection Agency's (EPA) Methane Challenge, Algonquin has committed to a pipe replacement rate of at least 6.5% annually. However, Algonquin has exceeded that goal for the past several years and has avoided 1,479 metric tonnes of methane emissions from 2017 through 2020.
- Algonquin recently completed its \$1.1 billion investment in the U.S. mid-west through the execution of its greening the fleet initiative—providing a winning situation for its stakeholders. Algonquin retired its Asbury Coal Plant in the U.S. mid-west on March 1, 2020, approximately 15 years ahead of schedule. The coal plant generation has been replaced with approximately 600 MWs of new wind generation and the transition to renewables is expected to lower costs for customers over time. Algonquin responsibly transitioned many of the Asbury Plant's employees to new positions within the company and continues to offer retraining and new opportunities for employees who have transitioned to different roles as a result of the plant retirement.

<sup>1</sup> Calculation includes preliminary base year emissions estimates for ESSAL (Chile) and Ascendant (Bermuda), each acquired in 2020. These annualized estimates are based on actual emissions data for these entities during the 2020 post-acquisition period. Formal base year recalculations for ESSAL and Ascendant are expected to be performed in connection with Liberty's 2021 calendar year ESG disclosure.

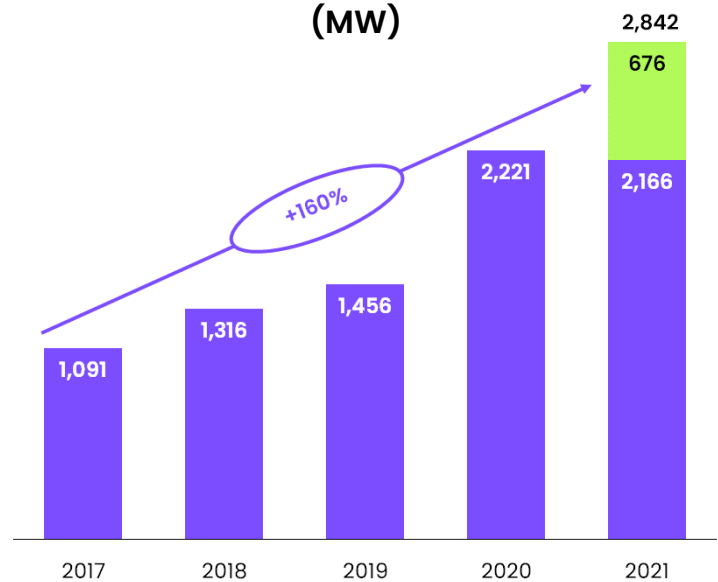


### Progressing Our Interim Goals

Algonquin is currently on track to accomplish its corporate environmental targets developed for completion from 2019 through 2023.

- One of Algonquin’s Sustainability Goals is to add 2,000 MW of additional low-cost renewable generation capacity from 2019 through 2023. Algonquin is currently on track to accomplish this goal, with 1,418 MW of new renewable generation having been completed since 2019.
- The early closure of the Asbury Coal Plant in the U.S. mid-west and completion of approximately 600 MW of new wind generation has led to the early achievement of Algonquin’s goal of reducing emissions by one million metric tonnes.
- Algonquin’s renewables generation capacity represents over sixty percent of its total generation capacity, placing Algonquin on track to achieve its goal of 75% renewable generation capacity by the end of 2023.

### Growing Renewables Portfolio<sup>2</sup> (MW)



Renewables portfolio growing with ~2 GW of completed projects since 2017

### Caution Regarding Forward-Looking Statements

Certain statements included herein may constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “targets” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements herein include, but are not limited to statements regarding Algonquin’s sustainability and ESG targets, initiatives, commitments and goals, and Algonquin’s expectations regarding the benefits, outcomes and impacts of transitioning to renewable energy. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. Algonquin cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors and assumptions include those set out in Algonquin Power & Utilities Corp.’s Management Discussion & Analysis and Annual Information Form for the year ended December 31, 2020, and in its Management Discussion & Analysis for the three months ended June 30, 2021 (the “Interim MD&A”), each of which is available on SEDAR and EDGAR. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, Algonquin undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

2. Excludes capacity indirectly owned through interest in ASI