Welcome to Algonquin Power & Utilities Corp.'s

2022

Annual meeting of common shareholders

June 2, 2022

Algonquin

Liberty™





Kenneth Moore

Chair of the Board



Meeting called to order

Items of business:

1) Receipt of financial statements

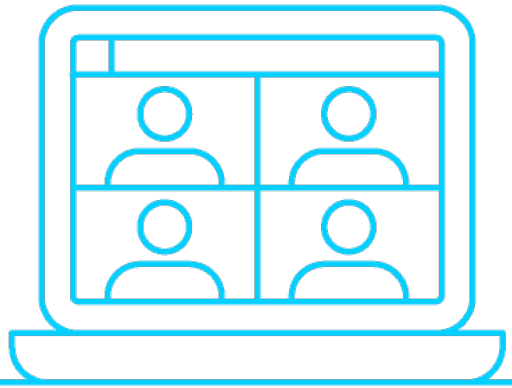
2) Appointment of auditor

3) Election of directors

4) Approve the unallocated options under the Stock Option Plan

5) Advisory vote on executive compensation

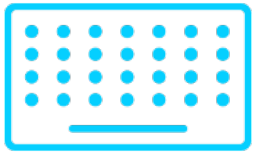
6) Approve the continuation, amendment, and restatement of the Shareholder Rights Plan



If you wish to ask a question, please…



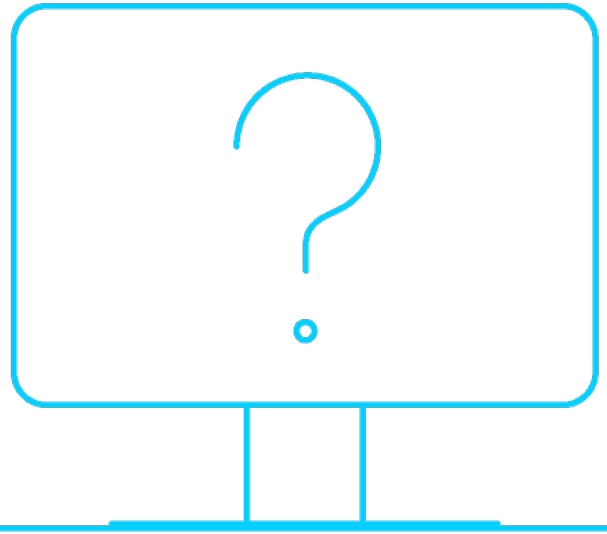
Click on the question icon



Enter in your question



Submit your question

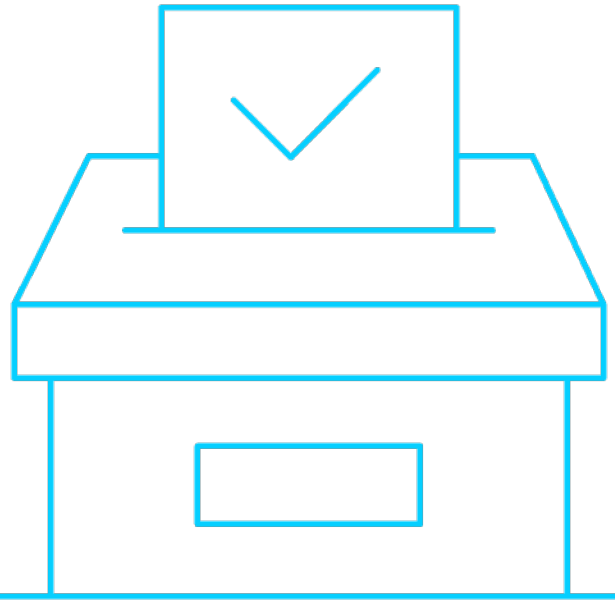


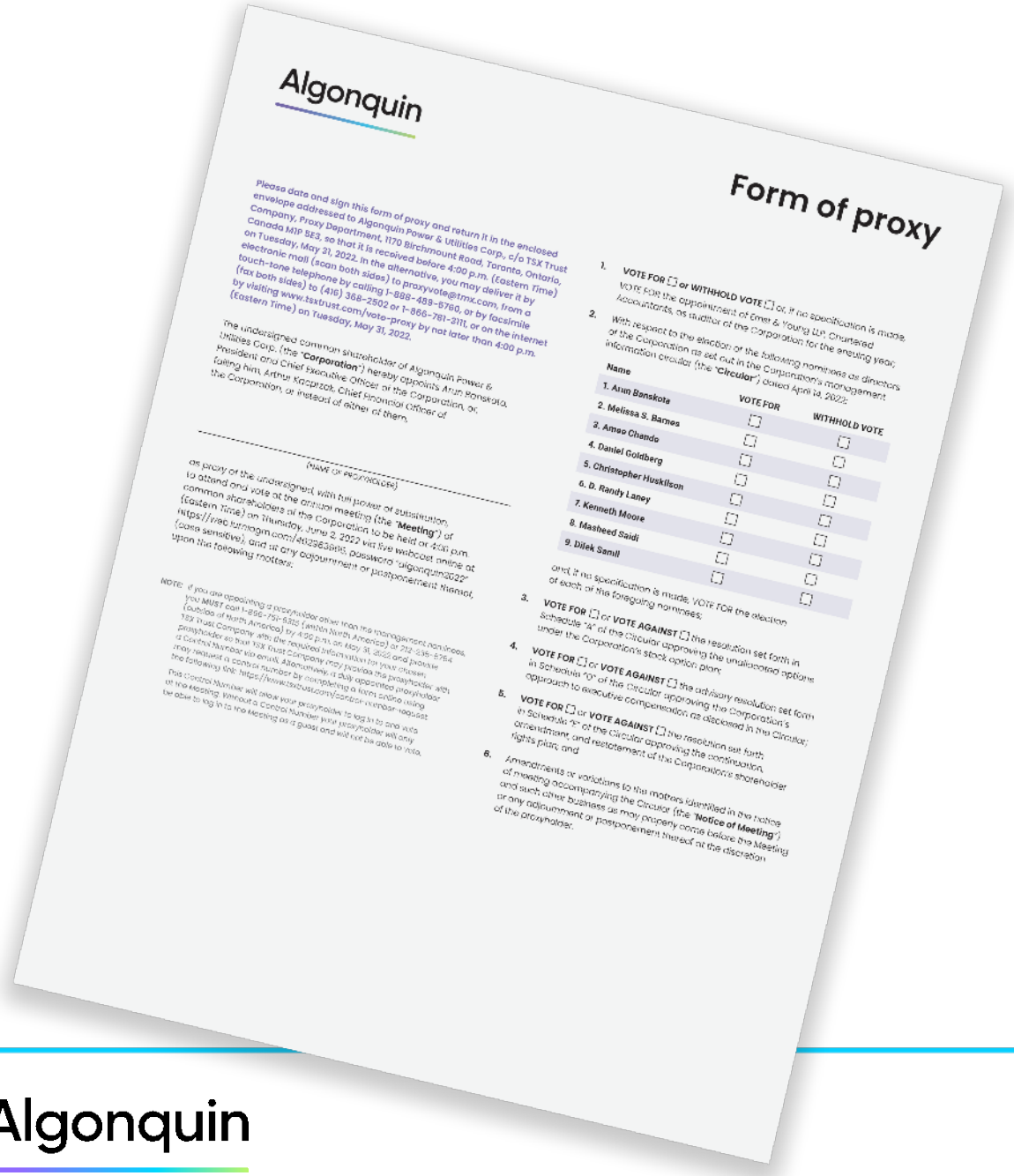
How do you vote?

Voting instructions

The polls will be opened for all items of business to be voted on at the same time. This will allow you to vote on each item immediately or, if you prefer, you may wait until the conclusion of discussion on each item prior to casting your vote.

If you have already voted or sent in a proxy, there is no need for you to vote by poll unless you would like to change your vote.





Algonquin

Form of proxy

Please date and sign this form of proxy and return it in the enclosed envelope addressed to Algonquin Power & Utilities Corp., c/o TSX Trust Company, Proxy Department, 1170 Birchmount Road, Toronto, Ontario, Canada M1P 5E3, so that it is received before 4:00 p.m. (Eastern Time) on Tuesday, May 31, 2022. In the alternative, you may deliver it by electronic mail (scan both sides) to proxyvote@tmx.com, from a touch-tone telephone by calling 1-888-489-6760, or by facsimile (fax both sides) to (416) 368-2502 or 1-866-781-3111, or on the internet by visiting www.tsxtrust.com/vote-proxy by not later than 4:00 p.m. (Eastern Time) on Tuesday, May 31, 2022.

The undersigned common shareholder of Algonquin Power & Utilities Corp. (the "**Corporation**") hereby appoints Arun Banskota, President and Chief Executive Officer of the Corporation, or, failing him, Arthur Kacprzak, Chief Financial Officer of the Corporation, or instead of either of them,

(NAME OF PROXYHOLDER)

as proxy of the undersigned, with full power of substitution, to attend and vote at the annual meeting (the "**Meeting**") of common shareholders of the Corporation to be held at 4:00 p.m. (Eastern Time) on Thursday, June 2, 2022 via live webcast online at https://web.lumiagm.com/462963906, password "algonquin2022" (case sensitive), and at any adjournment or postponement thereof, upon the following matters:

NOTE: If you are appointing a proxyholder other than the management nominees, you MUST call 1-866-751-6315 (within North America) or 212-235-5754 (outside of North America) by 4:00 p.m. on May 31, 2022 and provide TSX Trust Company with the required information for your chosen proxyholder so that TSX Trust Company may provide the proxyholder with a Control Number via email. Alternatively, a duly appointed proxyholder may request a control number by completing a form online using the following link: https://www.tsxtrust.com/control-number-request

This Control Number will allow your proxyholder to log in to and vote at the Meeting. Without a Control Number your proxyholder will only be able to log in to the Meeting as a guest and will not be able to vote.

1. **VOTE FOR** ☐ **or WITHHOLD VOTE** ☐ or, if no specification is made, VOTE FOR the appointment of Ernst & Young LLP, Chartered Accountants, as auditor of the Corporation for the ensuing year;
2. With respect to the election of the following nominees as directors of the Corporation as set out in the Corporation's management information circular (the "**Circular**") dated April 14, 2022:

Name	VOTE FOR	WITHHOLD VOTE
1. Arun Banskota	☐	☐
2. Melissa S. Barnes	☐	☐
3. Ameo Chande	☐	☐
4. Daniel Goldberg	☐	☐
5. Christopher Huskilson	☐	☐
6. D. Randy Laney	☐	☐
7. Kenneth Moore	☐	☐
8. Masheed Saidi	☐	☐
9. Dilek Samil	☐	☐

and, if no specification is made, VOTE FOR the election of each of the foregoing nominees;

3. **VOTE FOR** ☐ or **VOTE AGAINST** ☐ the resolution set forth in Schedule "A" of the Circular approving the unallocated options under the Corporation's stock option plan;
4. **VOTE FOR** ☐ or **VOTE AGAINST** ☐ the advisory resolution set forth in Schedule "D" of the Circular approving the Corporation's approach to executive compensation as disclosed in the Circular;
5. **VOTE FOR** ☐ or **VOTE AGAINST** ☐ the resolution set forth in Schedule "E" of the Circular approving the continuation, amendment, and restatement of the Corporation's shareholder rights plan; and
6. Amendments or variations to the matters identified in the notice of meeting accompanying the Circular (the "**Notice of Meeting**") and such other business as may properly come before the Meeting or any adjournment or postponement thereof at the discretion of the proxyholder.

Scrutineer's report

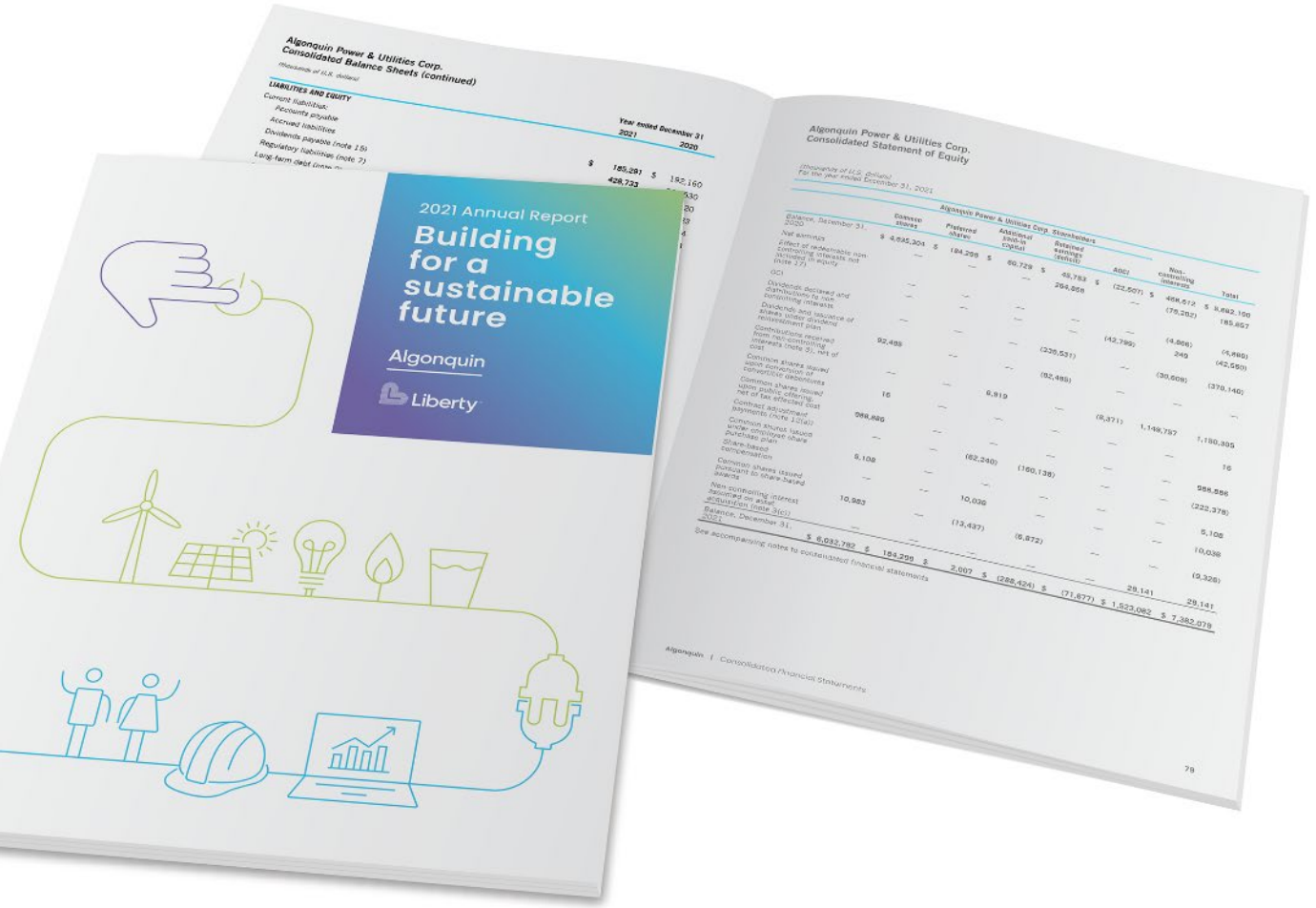




Notice of meeting

Notice calling this meeting has been sent to each intermediary and registered holder of common shares of the Corporation as of April 11, 2022, the record date for the meeting.





Item 1

Receipt of the financial statements

Presentation of the Corporation's *2021 Annual Report* containing the Corporation's audited financial statements for the financial year ended December 31, 2021.

Item 2

Appointment of auditor

Re-appoint Ernst & Young LLP
as the auditor of the Corporation
for the ensuing year.




Arun Banskota


Melissa Stapleton Barnes


Amee Chande


Daniel Goldberg


Christopher Huskilson


D. Randy Laney


Kenneth Moore


Masheed Saidi


Dilek Samil

Item 3

Election of directors

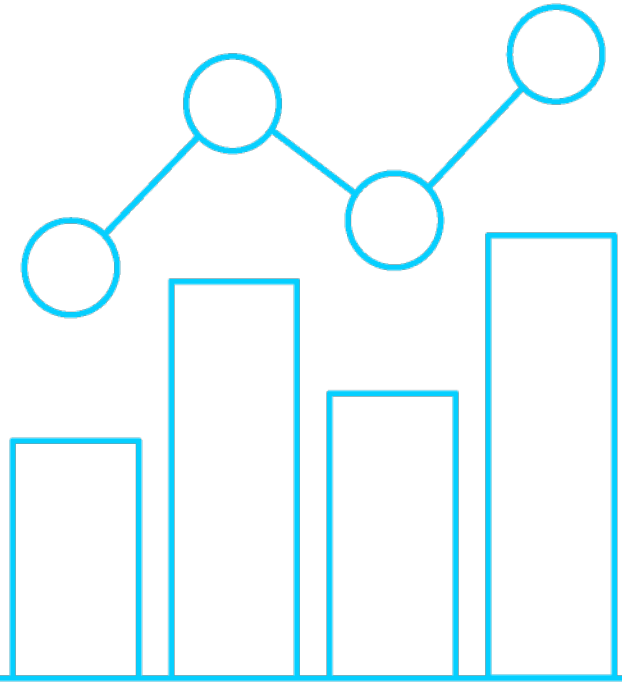
The individuals shown here stand for election as directors of the Corporation, to hold office until the next annual meeting of shareholders or until their respective successors have been elected.



Item 4

Unallocated options under the Corporation's Stock Option Plan

Approve the unallocated options under the Corporation's Stock Option Plan



Item 5

Advisory vote on executive compensation

Accept the approach to executive compensation disclosed in the management information circular of the Corporation.



Item 6

Continuation, amendment, and restatement of the Shareholder Rights Plan

Approve the continuation, amendment, and restatement for the Corporation's Shareholder Rights Plan

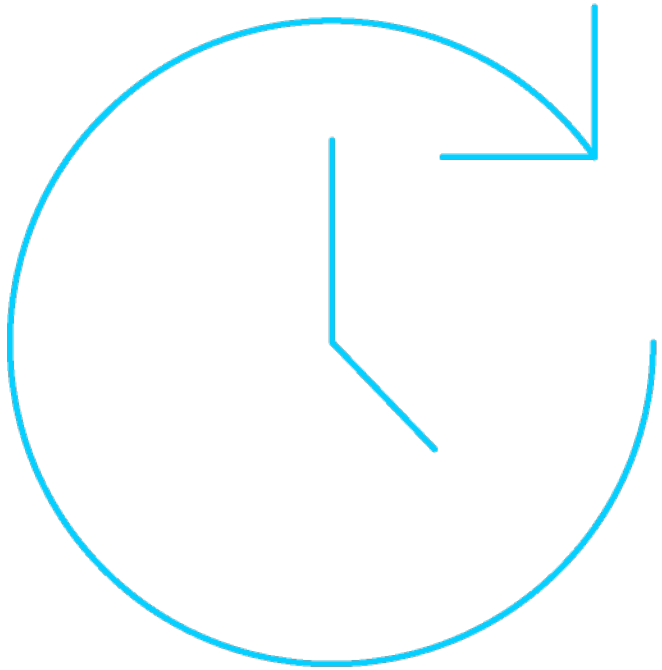


Voting

Please vote now

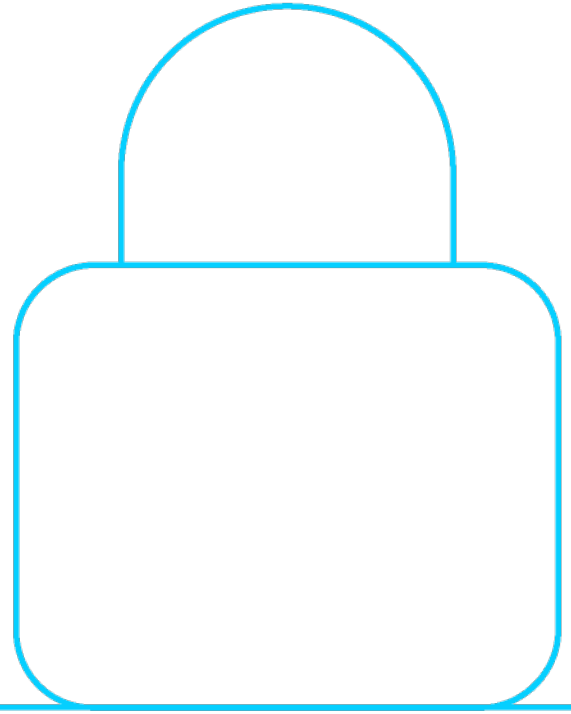
For those of you who have not yet voted on all of the items of business, please do so now. As previously noted, **if you have already voted by proxy and do not wish to revoke your previously submitted proxy, do not vote again** during the online ballot.

We will now take a short break while the polls close and the results are tabulated by the Scrutineers.



Polls closed

The online ballots are now closed and the scrutineers have tabulated the results.



Voting results

The Scrutineers have reported that all matters put to a ballot have been passed with the requisite shareholder approval.

Item 2 The motion on the re-appointment of the Corporation's auditor has **passed**;

Item 3 The nine nominees to the Board of Directors have been **elected**;

Item 4 The resolution approving the unallocated options under the Stock Option Plan has **passed**;

Item 5 The advisory resolution approving the approach to executive compensation has **passed**; and

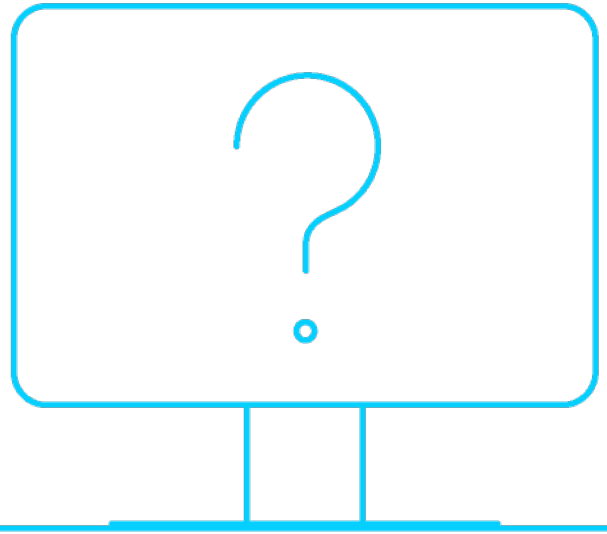
Item 6 The resolution approving the continuation, amendment, and restatement of the Shareholder Rights Plan has **passed**.



Other business

Further questions or comments

Any other business that may be properly brought before the meeting or any adjournment thereof.





Arun Banskota

President and Chief Executive Officer

Forward-Looking Statements

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Currency

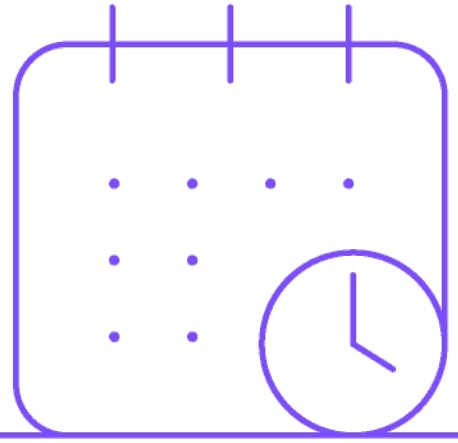
In this presentation, unless otherwise specified or the context requires otherwise, all dollar amounts are expressed in U.S. dollars.

Non-GAAP Financial Measures

The terms "Adjusted Net Earnings", "Adjusted Net Earnings per share" (or "Adjusted Net EPS") and "Adjusted earnings before interest, taxes, depreciation and amortization" ("Adjusted EBITDA" and, together with “Adjusted Net Earnings and Adjusted Net EPS, the "Non-GAAP Measures") are used in this presentation and the related discussion. The Non-GAAP Measures are not recognized measures under U.S. GAAP. There is no standardized measure of the Non-GAAP Measures; consequently, AQN's method of calculating the Non-GAAP Measures may differ from methods used by other companies and therefore they may not be comparable to similar measures presented by other companies. An explanation and analysis of the Non-GAAP Measures and a reconciliation to the most directly comparable U.S. GAAP measure, where applicable, can be found in the Annual MD&A under the headings “Caution Concerning Non-GAAP Measures” and “Non-GAAP Financial Measures”, which sections are incorporated by reference herein. AQN’s Annual MD&A is available on SEDAR at www.sedar.com and EDGAR at www.sec.gov/edgar. A reconciliation of the Non-GAAP Measures appearing in this presentation to the most directly comparable U.S. GAAP measure can also be found in Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 33 of this presentation.

Agenda

- Corporate overview
- 2021 financial performance
- 2021 notable achievements
- Three strategic pillars
- Looking ahead



Business overview[1]

Regulated Services Group

Provides regulated wastewater, water, natural gas and electric utility services to over 1 million customer connections through operations in North America, Bermuda, and Chile.

$11.4 B
regulated utility assets

16 jurisdictions
regulated utility assets

1,232,000
customer connections

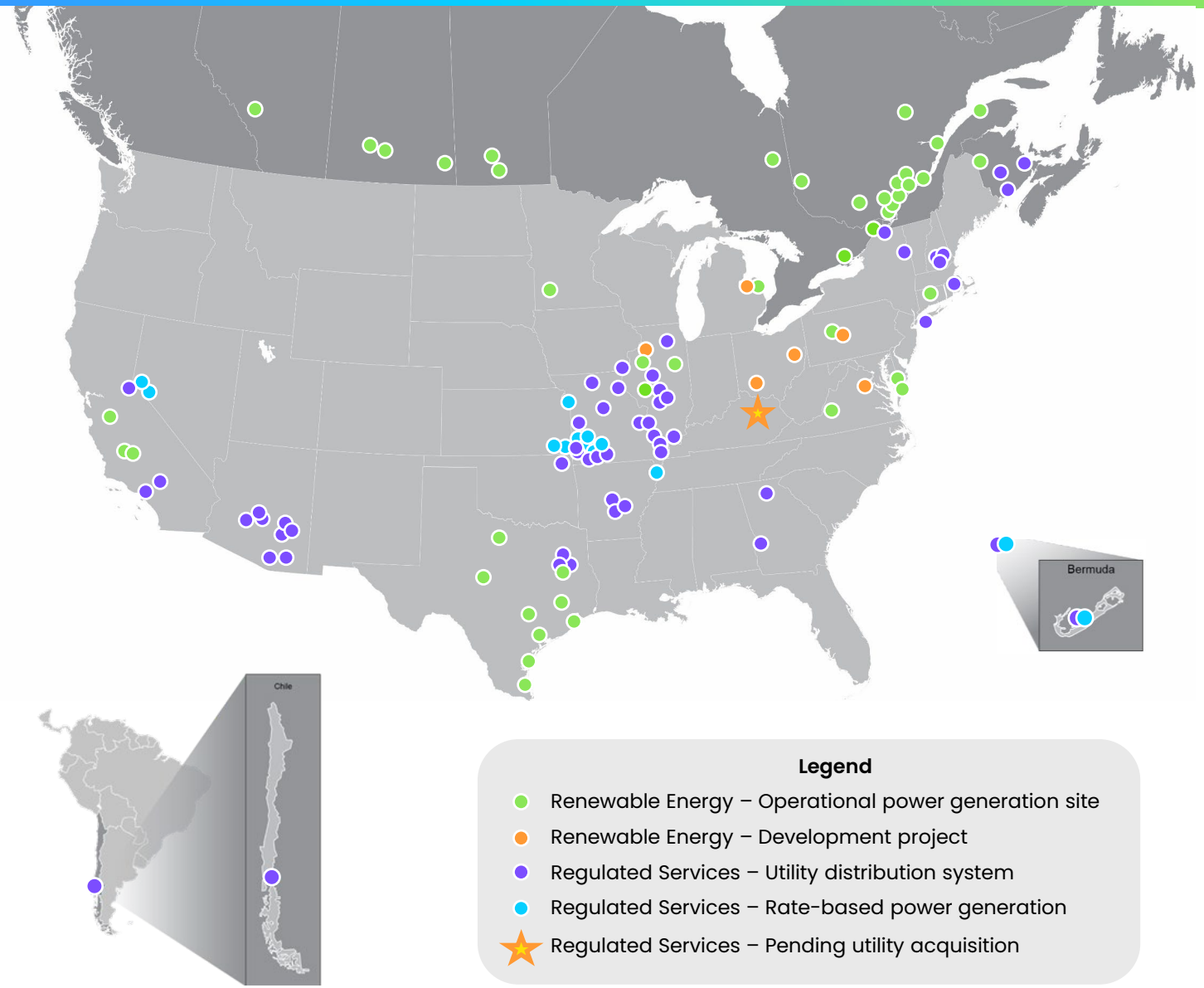
Renewable Energy Group

Owns and operates a portfolio of North American renewable and clean energy power generating facilities representing ~2.5 GW of gross generating capacity. Also has investments in generating assets with ~1.4 GW[2] of net generating capacity.

41
renewable energy facilities

~2.5 GW
gross installed capacity

~13 years
average PPA length



1. All data on this slide as at March 31, 2022.
2. Includes AQN's ~43% interest in Atlantica Sustainable Infrastructure plc and 51% interest in a portfolio of three Texas Coastal Wind facilities with a combined gross generating capacity of 621 MW.

2021 financial highlights and shareholder return



Year-over-year change in key financial metrics

- **2021 Adjusted EBITDA[1] of $1.08 billion** – a 24% year-over-year increase
- **2021 Adjusted Net EPS[1] of $0.71** – a 11% year-over-year increase
- **2021 Net Earnings of $264.9 billion** – a 66% year-over-year decrease
- **2021 Net Earnings per share of $0.41** – a 70% year-over-year decrease



Outstanding shareholder returns

+10%
2010-2021
Historical dividend per share CAGR

+101%
Cumulative
5-year TSR[2]

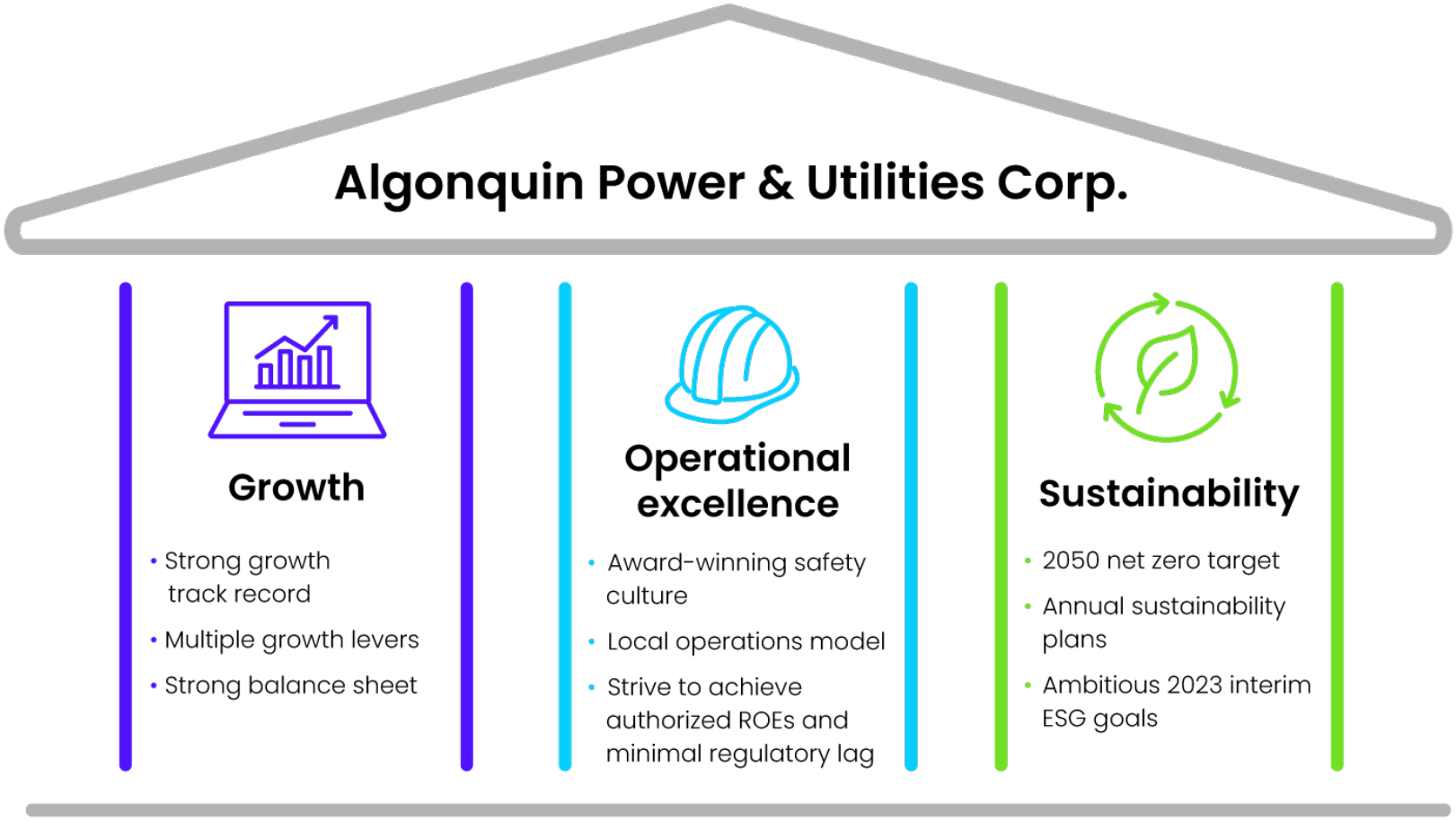
+350%
Cumulative
10-year TSR[2]

Strong performance from a stable, growing business

Algonquin

1. Please see "Non-GAAP Financial Measures" on page 19 of this presentation, and Appendix – Reconciliation of Non-GAAP Financial Measures beginning on page 33 of this presentation.
2. 5-year and 10-year total shareholder returns ("TSR") calculation on Toronto Stock Exchange (TSX), as of December 31, 2021.

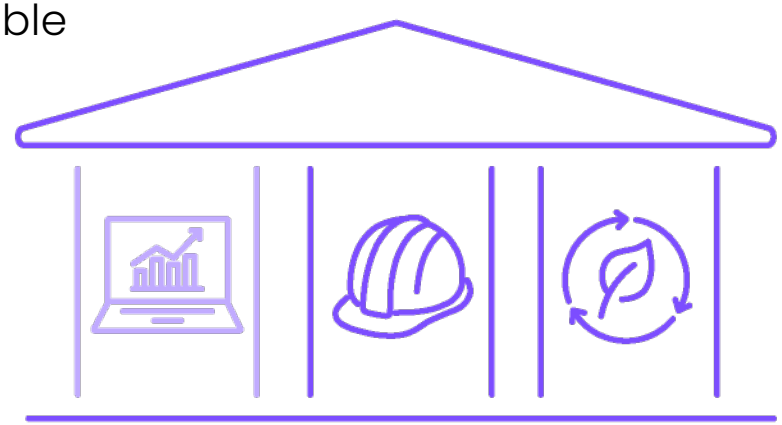
Three pillar foundation



Three pillars form the key foundation as we continue to build the business

Three pillar foundation - growth

- **Regulated Services Group**
  - Organic investments expected to improve safety and reliability
  - Strive to optimize performance and deploy best practices amongst AQN utilities
  - Greening the fleet initiatives and proven track record at CalPeco and Empire District
  - Disciplined approach to acquisitions - $2.8 billion Kentucky Power Acquisition announced in 2021
- **Renewable Energy Group**
  - 2021 was record year for AQN with nearly 1,200 MW of new renewable projects brought online
  - Well-positioned in the Commercial and Industrial space
  - Future levers of growth in emerging technology



Three pillar foundation – operational excellence

- **Safety top priority**
  - Achieved milestone of 10 million safety hours with no lost time injuries
- **Solid improvements in reliability metrics**
  - 17-point improvement in J.D. Power customer satisfaction scores in 2021 vs. 2020
  - Focus on renewables side continues to be on maximizing production
- **Effective integration of new utilities**
  - First full year of contributions from Bermuda Electric Company and ESSAL



Three pillar foundation – sustainability

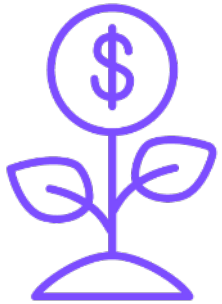
- **Net-Zero Target for Scope 1 & 2 Emissions by 2050**
  - Extension of Corporation's decades' long commitment to sustainability
  - Environmental stewardship at forefront of Corporation's strategic direction
- **Proven track record in greening the fleet**
  - Leader among representative peer group for 2020 CO_2 emissions intensity per dollar of revenue[1]
- **Enhanced ESG reporting**



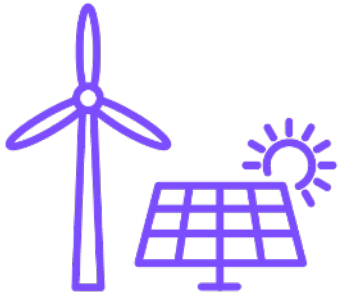
Algonquin

1. Peer group was identified from research by a global financial services firm and consists of AES CORPORATION, AMEREN CORPORATION, AMERICAN ELECTRIC POWER, AVANGRID, INC, DOMINION ENERGY, INC, DTE ENERGY, DUKE ENERGY CORPORATION, ENTERGY CORPORATION, EXELON CORPORATION, NRG ENERGY, INC, PINNACLE WEST CAPITAL CORPORATION, PPL CORPORATION, SOUTHERN COMPANY., VISTRA CORP, XCEL ENERGY INC, NEXTERA ENERGY, INC.

Concluding remarks



Continue to successfully execute on identified capital investment opportunities totaling $12.4 billion from 2022 through 2026

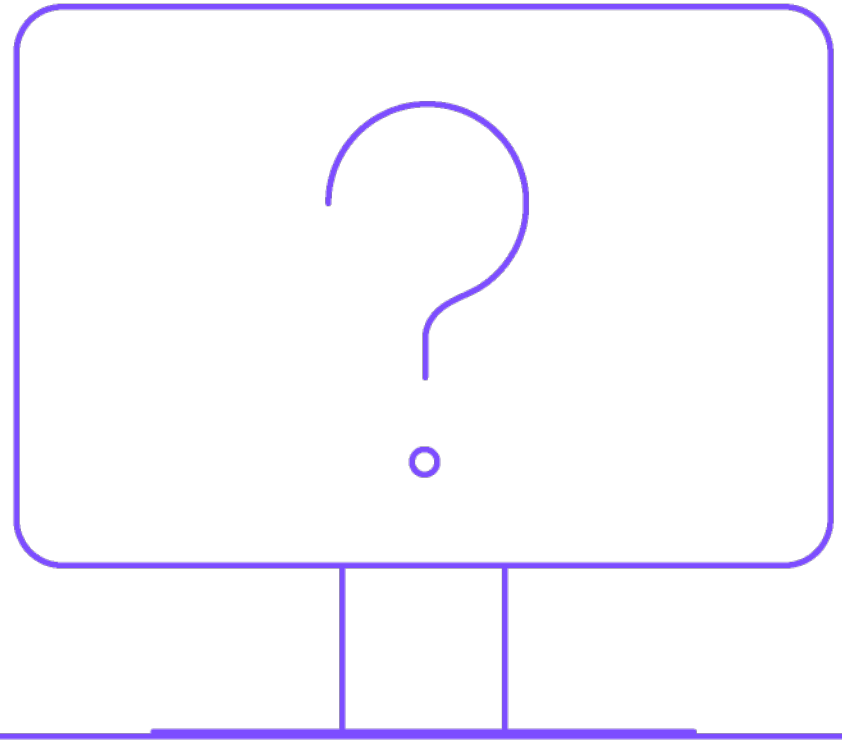


AQN's two business groups well-positioned to contribute to and benefit from transition to a decarbonized economy

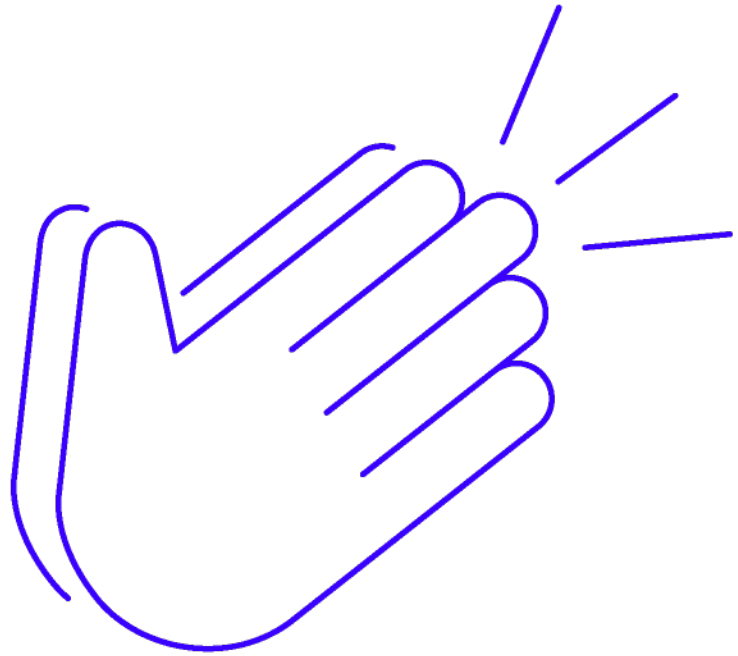


Three strategic pillars provide foundation as we continue to build the business and seek to drive long-term shareholder value

Q&A



Thank you



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Corporate information

Head Office	Greater Toronto Area, Ontario
Toronto Stock Exchange	AQN, AQN.PR.A, AQN.PR.D
New York Stock Exchange	AQN, AQNA, AQNB, AQNU
Shares Outstanding*	675,536,033
Share Price*	$14.45
Market Capitalization*	$9.8B
Dividend**	$0.7233 per share annually

* Shares outstanding, closing price (NYSE), and market capitalization as of April 30, 2022.
** Annualized using Q2 2022 dividend rate.

Contact information

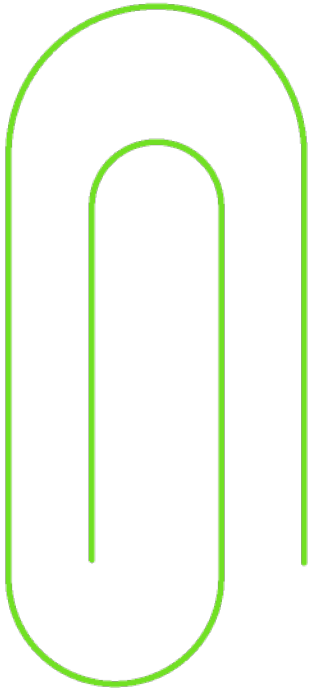
Arun Banskota
President and Chief Executive Officer

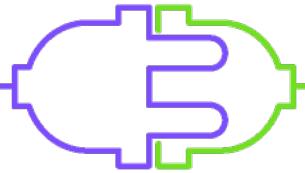
Arthur Kacprzak
Chief Financial Officer

Amelia Tsang
Vice President, Investor Relations

Tel : 905-465-4500
Email: Investorrelations@apucorp.com

Appendix





Reconciliation of non-GAAP financial measures

Reconciliation of Adjusted EBITDA to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations for the years ended December 31, 2021 and 2020. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Twelve months ended December 31	
(all dollar amounts in $ millions)	**2021**	**2020**
Net earnings attributable to shareholders	**$ 264.9**	$ 782.5
Add (deduct):		
Net earnings attributable to the non-controlling interest, exclusive of HLBV[1]	**16.1**	14.9
Income tax expense (recovery)	**(43.4)**	64.6
Interest expense	**209.6**	181.9
Other net losses[3]	**22.9**	61.3
Pension and post-employment non-service costs	**16.3**	14.1
Change in value of investments carried at fair value[2]	**122.4**	(559.7)
Impacts from the Market Disruption Event[4] on the Senate Wind Facility	**53.4**	—
Costs related to tax equity financing	**5.7**	—
Loss (gain) on derivative financial instruments	**1.7**	(1.0)
Realized loss on energy derivative contracts	**(0.1)**	(1.1)
Loss (gain) on foreign exchange	**4.4**	(2.1)
Depreciation and amortization	**403.0**	314.1
Adjusted EBITDA	**$ 1,076.9**	**$ 869.5**

1 Hypothetical liquidation at book value ("HLBV") represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three and twelve months ended December 31, 2021 amounted to $34.4 million and $95.3 million, respectively, as compared to $20.6 million and $69.7 million during the same period in 2020.

2 See Note 8 in the annual audited consolidated financial statements for the year ended December 31, 2021.

3 See Note 19 in the annual audited consolidated financial statements for the year ended December 31, 2021.

4 The "Market Disruption Event" refers to the significantly elevated pricing that persisted in the Electric Reliability Council of Texas market over several days as a result of the February 2021 extreme winter storm conditions experienced in Texas and parts of the central U.S.

Reconciliation of non-GAAP financial measures

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the consolidated statement of operations for the years ended December 31, 2021 and 2020. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to consolidated net earnings in accordance with U.S. GAAP.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings exclusive of these items:

	Twelve months ended December 31	
(all dollar amounts in $ millions except per share information)	**2021**	**2020**
Net earnings attributable to shareholders	**$ 264.9**	$ 782.5
Add (deduct):		
Loss (gain) on derivative financial instruments	**1.7**	(1.0)
Realized loss on energy derivative contracts	**(0.1)**	(1.1)
Other net losses[2]	**22.9**	61.3
Loss (gain) on foreign exchange	**4.4**	(2.1)
Change in value of investments carried at fair value[1]	**122.4**	(559.7)
Impacts from the Market Disruption Event[4] on the Senate Wind Facility	**53.4**	—
Costs related to tax equity financing and other adjustments	**5.7**	1.0
Adjustment for taxes related to above	**(25.7)**	84.9
Adjusted Net Earnings	**$ 449.6**	**$ 365.8**
Adjusted Net Earnings per share	**$ 0.71**	**$ 0.64**

1 Hypothetical liquidation at book value ("HLBV") represents the value of net tax attributes earned during the period primarily from electricity generated by certain U.S. wind power and U.S. solar generation facilities. HLBV earned in the three and twelve months ended December 31, 2021 amounted to $34.4 million and $95.3 million, respectively, as compared to $20.6 million and $69.7 million during the same period in 2020.

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