

# Sustainable Development Plan 2024–2028: Progress summary

In 2025, Hydro Québec's [Sustainable Development Plan 2024–2028](#) entered year two of its implementation phase. The Sustainable Development Plan serves to guide the company's activities to ensure a responsible energy transition in the context of the *Action Plan 2035*. The table below presents the 2025 results in accordance with the Québec government's requirements under the *Sustainable Development Act*; it also presents how Hydro-Québec's targets align with the *Government Sustainable Development Strategy 2023–2028* (GSDS).

[More information on the Sustainable Development Plan and our sustainability actions and performance](#)

| Action (GSDS compliance)   | Indicator   | Starting measurement | Target 2024 | Result 2024 | Target 2025 | Result 2025  |
|--|---|----------------------|-------------|-------------|-------------|--|
| <b>Responsible procurement</b>   |   |                      |             |             |             |  |
| Increase the share of our sustainable procurement. (5.4.1)   | Proportion (%) of contracts incorporating new sustainability components                   | New indicator        | 10          | 24.6        | 20          | 30.6 <sup>a</sup><br><br>Hydro-Québec continued to implement the occupational health and safety (OHS) questionnaire as an eligibility criterion, with a mandatory passing grade of 70% for targeted service markets identified as having moderate-to-high OHS risks. In addition, we made the <i>Sustainability Guide for Suppliers</i> and support tools available on our Supplier website.<br><br>We also adopted the environmental, social and governance (ESG) indicators used to assess supplier performance (e.g., energy efficiency, questionnaire results).<br><br>Lastly, we updated the human rights verification process for supplier categories presenting a high or very high risk. |
| Increase the business opportunities made available to social economy enterprises. (3.1.2)  | Number of social economy enterprises with a contract or active order for the current year | 75 (2023)            | n/a.        | n/a         | 90          | 94 <sup>a</sup><br><br>Hydro-Québec strengthened support in markets with high potential for integrating social economy enterprises, which this year include NPOs with an environmental or social focus. Companies apt to meet specific needs in different markets were preselected and presented to procurement advisors and applicants.<br><br>We also developed a training program for social economy enterprises aimed at demystifying our bid process and familiarizing bidders with the relevant documentation.<br><br>Lastly, we supported the Innovation Challenge, an initiative launched in 2024 whose focus is food waste in cafeterias located in remote areas.                       |
| <b>Biodiversity</b>  |   |                      |             |             |             |  |
| Determine the conservation potential of our properties so as to help attain government biodiversity conservation objectives. (2.1.1) | Cumulative number of hectares targeted for conservation                                   | New indicator        | n/a.        | n/a         | 75          | 79 <sup>a</sup><br><br>Additional measures were incorporated into two of the three planned projects in 2025. The measures for the third project, which is underway, will be incorporated in 2026.  |

a) Data verified by the BNQ.

| Action (GSDS compliance)  | Indicator   | Starting measurement | Target 2024  | Result 2024  | Target 2025 | Result 2025  |
|---|---|----------------------|--------------|--------------|-------------|--|
| Improve habitats by incorporating additional measures aimed at promoting biodiversity for projects that are subject to an environmental impact study. (2.1.2) | Cumulative number of additional measures incorporated into projects         | 0 (2023)             | n/a.         | n/a          | 6           | 5 <sup>a</sup><br><br>Two projects subject to Section 31 of the <i>Québec Environment Quality Act</i> have incorporated additional measures to foster biodiversity in their planning processes.<br><br>As part of the Jean-Jacques-Archambault substation construction project, new wildlife habitats targeting several species will be developed in a section of the right-of-way to be dismantled, while the quality and recreational use of the right-of-way will be enhanced.<br><br>During the restoration of the work areas and borrow pits following construction of the 315-kV line between René-Lévesque generating station and Outardes substation, native shrubs and grasses valued by Indigenous communities will be planted and seeded. |
| <b>Sustainable Indigenous communities and other communities</b>   |   |                      |              |              |             |  |
| Obtain Gold-level certification under the Canadian Council for Indigenous Business's (CCIB) Partnership Accreditation in Indigenous Relations (PAIR) program. | Certification level   | Silver level (2023)  | Gold level   | Gold level   | Gold level  | Gold level<br><br>The Gold certification obtained again in 2025 recognizes Hydro-Québec's efforts in terms of:<br><ul style="list-style-type: none"> <li>• Relations with Indigenous communities</li> <li>• Economic benefits</li> <li>• Training and employment for Indigenous community members</li> </ul> The progress made to date shows that the company is a good business partner and is committed to promoting the prosperity of Indigenous communities. Hydro-Québec is also committed to offering a workplace that is open and inclusive toward its Indigenous employees.  |
| Support Indigenous women entrepreneurs. (3.2.2)   | Annual number Indigenous women entrepreneurs receiving personalized support | 424 (2023)           | n/a          | n/a          | 1,040       | 660 <sup>a</sup><br><br>In 2025, despite a higher number of active projects, the number of support activities was lower than expected due to procedural efficiency, the nature of the projects and participants' varying needs. The calculation method will be reviewed in 2026.   |
| Work with municipalities to implement projects that foster biodiversity in our transmission rights-of-way. (4.1.1)  | Cumulative number of hectares (ha) developed                                | 10.2 (2023)          | 40           | 22.1         | 60          | 28.4 <sup>a</sup><br><br>In 2025, projects to foster biodiversity were carried out with three municipalities. An analysis of high-potential sites is underway so that we may be proactive in 2026. A new greening program aiming to promote local initiatives in partnership with municipalities and Indigenous communities was launched this year.  |
| <b>Responsible energy use</b>   |   |                      |              |              |             |  |
| Achieve the 21 TWh energy savings target by 2035 through our energy efficiency programs. (1.1.3)  | Cumulative number of gross terawatt-hours (TWh) saved                       | 0.84 (2023)          | 1.77 (+0.93) | 2.01 (+1.17) | 2.81        | 3.93 <sup>a</sup><br><br>The target was surpassed due to:<br><ul style="list-style-type: none"> <li>• The sustained adoption of heat pump technology by residential customers</li> <li>• A considerable increase in the contribution from business customers (close to 900 GWh)</li> </ul> Major projects with industrial customers are also currently being finalized.  |

a) Data verified by the BNQ.

| Action (GSDS compliance)  | Indicator   | Starting measurement   | Target 2024 | Result 2024 | Target 2025 | Result 2025   |
|---|---|--|-------------|-------------|-------------|---|
| Free up 3,500 megawatts (MW) of electricity that can be shaved or shifted by 2035 through our demand response offerings. (1.3.2)  | Number of megawatts of electricity that can be shaved or shifted through our demand response offerings. | 2,041 (2023-2024)  | 2,152       | 2,371       | 2,424       | 2,665 <sup>a</sup><br>Results for winter 2025-2026 surpassed the target due to the rollout of the residential customer offer of \$0 smart thermostats/ electric water heater controllers, to increased business customer buy-in, and to a successful transition toward the new DR Commitment Option for industrial customers.   |
| <b>Decarbonization</b>  |   |  |             |             |             |   |
| Increase electricity supply to help reduce the energy intensity of transporting people and goods. (4.2.2)   | Number of fast-charge stations in Québec for light- and heavy-duty vehicles                             | 897 (2023)   | 1,120       | 1,110       | 1,345       | 1,347 <sup>a</sup><br>The target was attained thanks to the installation of 257 fast-charge stations, 237 of which were commissioned. Every effort was made to clear the 2024 backlog.  |
| Reduce the direct GHG emissions resulting from our buildings and infrastructures. (5.6.1)   | Percentage (%) reduction of tonnes of CO <sub>2</sub> equivalent  | 362,820 tonnes of CO <sub>2</sub> equivalent (2015-2020 average) | -5          | -13.5       | -5          | -11.3<br>Decarbonization initiatives implemented in Hydro-Québec's off-grid systems helped in meeting the emissions reduction target. Efforts to convert thermal generating stations to renewable energy sources resulted in an estimated reduction of 16,200 tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e). The reduction in our 2024 and 2025 GHG emissions also reflects the implementation of a new methodology that more accurately quantifies fugitive emissions of SF <sub>6</sub> and CF <sub>4</sub> associated with transmission system equipment. A rigorous reassessment of the emissions calculation method revealed that emissions had been overestimated in annual disclosures prior to 2024, including during the 2015-2020 reference period. |
| Gradually convert our fleet of gas-powered vehicles to low- or zero-emission models. (5.8.1)  | Proportion (%) of light vehicle fleet electrified   | 39 (2023)  | 47          | 46          | 50          | 53 <sup>a</sup><br>The vehicle fleet electrification target was attained thanks to the deployment, during the year, of numerous hybrid, electric, rechargeable or dual-energy vehicles for use in our operations.   |
| <b>Circular economy</b>   |   |  |             |             |             |   |
| Increase the number of circular initiatives involving construction, renovation and demolition (CRD) waste at our various worksites. (5.6.2)   | Cumulative number of new initiatives  | 0 (2023)   | n/a         | n/a         | 3           | 3<br>Two new initiatives were carried out during the year; the lessons learned will be transferable to other renovation projects in our buildings. As part of a refurbishment project in Saint-Jérôme, 90% of the interior doors and glazed screens were reused. Furthermore, some of the ceiling tiles removed (i.e., 12 pallets of 85 tiles) were reused in the renovation of 2000 rue Crémazie in Montréal.  |
| <b>Responsible governance</b>   |   |  |             |             |             |   |
| Provide our subsidiaries with a plan to support the implementation of the <i>Government Sustainable Development Strategy</i> . (1.1.1)  | Proportion (%) of active subsidiaries with a plan   | 0 (2024)   | 0           | 0           | 20          | 17<br>Hydro-Québec identified the subsidiaries it will help develop sustainable development plans in 2026.  |
| Assess the sustainability of our new strategic planning activities, our new financial assistance programs or our existing programs when updated, as well as our projects involving an environmental impact statement. (5.1.1) | Percentage (%) of structuring initiatives that have undergone a sustainability assessment               | New indicator  | n/a         | n/a         | 75          | 75<br>Three financial assistance programs were evaluated using the Québec government's sustainability assessment tool.<br>One project that had been subject to an environmental impact assessment was not evaluated using this tool, as it was decided that doing so would fail to provide added value compared with the EIA.   |

a) Data verified by the BNQ.

| Action (GSDS compliance)  | Indicator  | Starting measurement | Target 2024 | Result 2024 | Target 2025 | Result 2025  |
|---|--|----------------------|-------------|-------------|-------------|--|
| Integrate sustainability criteria into our donation and sponsorship evaluation and selection processes. (5.3.4)                               | Percentage (%) of donation/sponsorship recipients that meet sustainability criteria                            | New indicator        | 15          | 44          | 25          | 47 <sup>a</sup><br>The donation and sponsorship application form includes questions aimed at identifying organizations that meet certain sustainability criteria. The target includes organizations with declared environmental missions or initiatives. |
| Integrate sustainability criteria in new financial assistance programs and when updating existing programs. (5.3.4)                           | Percentage (%) of financial assistance programs with at least one additional sustainability criterion          | New indicator        | n/a         | n/a         | 60          | 0<br>The complexity and duration of the programs have delayed our achievement of this year's target.   |
| Integrate climate risks into our targeted processes.  | Cumulative number of processes   | 1 (2024)             | n/a         | n/a         | 8           | 4<br>Efforts in 2025 focused on updating the <i>Climate Change Adaptation Plan</i> and establishing a structure for managing climate risks.  |
| <b>Sustainable and resilient infrastructures</b>  |  |                      |             |             |             |  |
| Obtain BOMA BEST 4.0 certification, which includes the performance of residual materials management in our administrative buildings. (5.7.1)  | Cumulative number of BOMA BEST-certified buildings (version 4.0)   | 0 (2023)             | n/a         | n/a         | 2           | 3<br>The Beauport, Lebourgneuf and Hull administrative buildings hold BOMA BEST 4.0 certification, thereby showing a robust commitment to sustainability, energy efficiency and environmental performance in our administrative buildings.               |
| Optimize the total output of generating units in order to maximize the use of existing infrastructure while accelerating maintenance. (1.1.2) | Cumulative added capacity in MW  | New indicator        | n/a         | n/a         | 10          | Data not available at the time of the report's publication   |
| <b>Human resources</b>  |  |                      |             |             |             |  |
| Improve workplace safety by adopting measures to reduce accident risks.   | Frequency of work-related accidents involving lost time and/or death, per 200,000 hours worked at Hydro-Québec | 1.17 (2023)          | 1.12        | 0.9         | 1.08        | 1.3 <sup>a</sup><br>No deaths recorded in 2025; decrease in the number of serious incidents. Lost time linked to musculoskeletal disorders, ground-level slips and psychological injury increased from the previous year.                                |
| Increase the share of active, collective or alternative transportation used as compared to single-occupancy vehicle use. (5.8.2)              | Percentage (%) of modes of transportation other than single-occupancy vehicle travel                           | 50 (2024)            | 50          | 50          | 50          | 50.72<br>The result corresponds to data from the annual survey of staff members working in Hydro-Québec buildings occupied by over 150 persons: 6,250 respondents completed the survey, representing a participation rate of over 35%.                   |

a) Data verified by the BNQ.