


Sustainable Development Plan 2020–2024: Progress Summary


This is the final report on the *Sustainable Development Plan 2020–2024*. A new plan, adopted in March 2024, is aligned with the Government Sustainable Development Strategy.

To consult the new plan, visit: [Sustainable Development Plan 2024–2028](#)

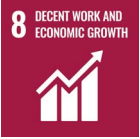

Strategy	Target	Status	Explanation
<p>1. Make sustainability principles integral to our governance, operations and projects.</p> <hr/> <p>Sustainable development goal</p> 	<p>1.1 Integrate sustainability principles into our corporate guidelines.</p> <p>Indicator</p> <p>Percentage and number of policies and guidelines incorporating sustainability principles</p>	<p>Sustainability principles integrated into 45% of our policies and directives (13/29), 7 guidelines pending approval</p>	<p>As part of the review of our corporate policies and directives, sustainability principles were incorporated into four new policies in 2023 and into three directives that are pending approval. Hydro-Québec also integrated elements of sustainability into four standards.</p>


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<p>1. Make sustainability principles integral to our governance, operations and projects.</p> <hr/> <p>Sustainable development goal</p> 	<p>1.2 Earn public recognition for our leadership in responsible governance.</p> <p>Indicator</p> <p>Number of new recognitions for our leadership in responsible governance</p>	<p>Four new recognitions obtained</p>	<p>Hydro-Québec obtained four new recognitions:</p> <ul style="list-style-type: none"> • Archéo-Québec award • Blue Planet Prize • Leadership in Sound Energy Management award – BOMA Québec • Partners in Humanity Award – Canadian Red Cross
<p>2. Do business with responsible suppliers.</p> <hr/> <p>Sustainable development goal</p> 	<p>2.1 Identify and apply occupational health and safety requirements to risk-sensitive work categories.</p> <p>Indicator</p> <p>Categorize suppliers based on the health and safety risk level of their activities and establish a qualification strategy (2020)</p> <p>Begin integrating requirements for risk-sensitive work categories (2021–2024)</p>	<p>OHS questionnaire integrated into the external evaluation tool (Cognibox)</p>	<p>In 2023, we drafted the requirements for the nine critical hazards, and the OHS questionnaire was integrated into contracts presenting a moderate risk, including those for:</p> <ul style="list-style-type: none"> • engineering services • real estate assessment and management <p>In addition, the OHS questionnaire is now part of the eligibility criteria (requiring a passing grade) in calls for tenders related to construction and air transportation.</p>


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<p>3. Significantly improve our occupational health and safety performance while fostering employee wellness.</p> <hr/> <p>Sustainable development goal</p> 	<p>3.1 Obtain ISO 45001:2018 health and safety certification by 2023.</p> <p>Indicator Progress in the ISO 45001:2018 certification process (%)</p> <hr/> <p>3.2 Implement or showcase health and wellness initiatives.</p> <p>Indicator Number of initiatives implemented or showcased</p>	<p>Target and indicator removed in 2023</p> <hr/> <p>34 health and wellness initiatives implemented</p>	<p>We are currently designing and implementing an occupational health and safety management system (OHSMS) based on the requirements set out in the ISO 45001 standard. The system will provide a framework for our occupational health and safety management practices. Though the target of obtaining ISO 45001:2018 certification was removed in 2023, the working group in charge of the project continued its activities, enjoying the participation and collaboration of many stakeholders.</p> <hr/> <p>We implemented 34 initiatives that address the physical, psychological and social health and well-being of our employees. While some activities were geared to all personnel, others focused on specific business units. These initiatives are in line with our corporate strategies that aim to maximize Hydro-Québec's sustainability performance.</p>
<p>4. Offer an inclusive work environment that reflects Québec's diversity and rally our employees around sustainable development.</p> <hr/> <p>Sustainable development goal</p> 	<p>4.1 Continue to improve equal access to employment by raising target group representation.</p> <p>Indicator Percentage of target groups in our workforce (%)</p>	<p>28.5% women (28.7% in 2022)</p> <p>1.5% Indigenous people (1.6% in 2022)</p> <p>2.2% ethnic minorities (2.1% in 2022)</p> <p>8.2% visible minorities (8.0 % in 2022)</p> <p>1% people with disabilities (0.9% in 2022)</p>	<p>All target group representation (in all job categories) is relatively stable.</p> <p>We have noticed a higher percentage of women being hired for temporary assignments, except for women belonging to ethnocultural minorities.</p> <p>Turnover at Hydro-Québec is lower than at most Québec companies. However, there are more women resigning than men. The reasons provided are being investigated.</p>


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<p>4. Offer an inclusive work environment that reflects Québec's diversity and rally our employees around sustainable development.</p> <hr/> <p>Sustainable development goal</p> 	<p>4.2 Increase target group^a representation in management positions.</p> <p>Indicator Percentage of target groups in management positions</p>	<p>27.3% women (27.2% in 2022)</p> <p>1.2% Indigenous people (1.1% in 2022)</p> <p>1.7% ethnic minorities (1.4% in 2022)</p> <p>4.9% visible minorities (4.4% in 2022)</p> <p>1.0% people with disabilities (0.7% in 2022)</p>	<p>The number of people in management positions belonging to target groups is on the rise. The distribution is as follows:</p> <p>27.3% women, 1.2% Indigenous peoples, 6.6% visible or ethnic minorities and 1% people with disabilities. In general, more women than men are being promoted to management positions and they are also more often promoted from one management position to another.</p>
	<p>4.3 Implement a sustainability awareness program that promotes employee engagement.</p> <p>Indicator Progress in implementing the sustainable development awareness program (%)</p>	<p>Sustainable development awareness program 100% implemented among employees</p>	<p>We organized several initiatives to support our awareness program, including a volunteering week in partnership with the FCABQ (Fédération des centres d'action bénévole du Québec), an e-mail about our volunteering platform designed to remind current and retired employees about the importance of volunteering and a video testimonial with volunteers for the Literacy Foundation.</p>
	<p>4.4 Launch an action plan for disabled groups.</p> <p>Indicator Progress in implementing the action plan for disabled groups (%)</p>	<p>90% of the commitments in the plan have been implemented</p>	<p>The implementation of the action plan (2023-2024) is underway and 90% of the commitments have been completed.</p>

a) The target groups are women, Indigenous people, ethnic minorities, visible minorities and people with disabilities.


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<p>5. Foster Québec's development as a society through our financial contribution</p> <hr/> <p>Sustainable development goal</p> 	<p>5.1 Contribute \$23.4 billion to Québec's gross domestic product (GDP) by 2024.</p> <p>Indicator Amount contributed to Québec's GDP</p>	<p>\$24 billion contributed to GDP (2022: \$25 billion)</p>	<p>Despite a drop in the natural water inflows in Québec's large northern reservoirs, Hydro-Québec contributed \$24 billion to Québec's GDP in 2023. The low runoff had no impact on Québec's energy supply or its long-term commitments with neighboring markets, but Hydro-Québec did limit sales on external markets to optimally manage its resources, which reduced revenue from sales outside Québec.</p>
<p>6. Build and operate sustainable, resilient infrastructure while adapting our activities to climate change.</p> <hr/> <p>Sustainable development goal</p> 	<p>6.1 Implement a climate change adaptation plan by 2021.</p> <p>Indicators</p> <ol style="list-style-type: none"> Progress on producing the <i>Climate Change Adaptation Plan</i> (%) Progress on key actions identified in the plan (%) 	<p>Implementation of actions in the <i>Climate Change Adaptation Plan</i>: 72% in progress, 20% completed, 8% about to begin</p>	<p>In 2023, we continued to implement our <i>Climate Change Adaptation Plan</i>. In just one year, we launched nearly 80% of the plan's actions. The climate change adaptation initiatives carried out to date address structure design, communication with customers, climate change knowledge acquisition and employee health and safety.</p>

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<p data-bbox="159 254 402 489">6. Build and operate sustainable, resilient infrastructure while adapting our activities to climate change.</p> <hr/> <p data-bbox="159 541 370 604">Sustainable development goal</p> 	<p data-bbox="435 268 607 457">6.2 Expand the integration of sustainability principles in infrastructure projects.</p> <p data-bbox="435 495 545 520">Indicator</p> <p data-bbox="435 533 656 814">Number of projects requiring government approval for which planning and construction stages include a comprehensive sustainability assessment</p> <hr/> <p data-bbox="435 884 672 1165">6.3 Obtain or maintain BOMA BEST certification for targeted administrative buildings and rented office premises of over 1,000 m² in Montréal and Québec.</p> <p data-bbox="435 1203 545 1228">Indicator</p> <p data-bbox="435 1241 623 1360">Number of BOMA BEST- certified buildings and level of certification</p>	<p data-bbox="701 268 922 489">A detailed analysis grid was integrated into the impact study for a major infrastructure project</p> <hr/> <p data-bbox="701 884 899 1104">BOMA BEST certification achieved for the 21 targeted buildings and office premises (100%)</p>	<p data-bbox="967 275 1445 489">The impact study carried out for the project to build a thermal generating station in the northern village of Kangiqsujuaq included a detailed analysis of the project's components, which was completed in line with the sustainability principles defined in the <i>Sustainable Development Act</i>.</p> <hr/> <p data-bbox="967 884 1435 1129">BOMA BEST is a program established by the Building Owners and Managers Association of Canada (BOMA Canada) to assess the environmental and energy performance of commercial buildings. In 2023, 18 of the buildings we own were BOMA BEST certified (17 Gold and 1 Silver), along with 3 of the spaces we rent (1 Gold and 2 Silver).</p>

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<p>7. Generate more sustainable value in the community.</p> <hr/> <p>Sustainable development goal</p> 	<p>7.1 Develop indicators and optimize certain programs to maximize their social and economic benefits for the community.</p> <p>Indicator</p> <p>Number of key programs optimized</p>	<p>Objectives reached for the two targeted programs, i.e., the Integrated Enhancement Program (IEP) and the Social Responsibility Directive</p>	<p>The overhaul of the IEP, which began in 2018, was finalized this year. All follow-up elements are in place and the rollout of optimizations is complete.</p> <p>For the Social Responsibility Directive, we set budget objectives this year designed to ensure a more equitable distribution of donations and sponsorships across all regions of Québec. The new distribution will be fully implemented by 2026, when the agreements being phased out come to an end. Hydro-Québec intends to respect its pre-existing multiyear commitments with organizations that are no longer eligible under the Directive. Statistical analyses of our donations and sponsorships indicate that we are making progress toward our target allocations: 60% of the budget to regional vitality, 25% to the fight against poverty and 15% to the reduction of GHG emissions.</p> <p>2023 actual allocations</p> <p>Reduction of GHG emissions: 6.04% (2022: 5.65%, 2021: 3.93%)</p> <p>Fight against poverty: 23.58% (2022: 37.28%, 2021: 25.24%)</p> <p>Regional vitality: 48.35% (2022: 40.21%, 2021: 35.79%)</p> <p>Business development: 5.67% (2022: 7.47%, 2021: 6.43%)</p> <p>Transition: 16.36% (2022: 9.39%, 2021: 28.61%)</p>
<p>8. Take steps to include Indigenous peoples and encourage their input into our development.</p> <hr/> <p>Sustainable development goal</p> 	<p>8.1 Obtain Silver-level certification from the Canadian Council for Aboriginal Business's Progressive Aboriginal Relations (PAR) program.</p> <p>Indicator</p> <p>Annual progress in the PAR Silver certification process (%)</p>	<p>Silver-level PAR program certification obtained</p>	<p>Receiving Silver-level certification is an important affirmation of what we have accomplished through our participation in the Progressive Aboriginal Relations program. After completing our 2021–2023 action plan, we submitted a new request in 2024 to obtain Gold-level certification.</p>

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<p>9. Work toward decarbonizing all of our business activities and markets</p> <hr/> <p>Sustainable development goal</p> 	<p>9.1 Avoid 4.6 Mt CO₂ eq. of emissions through our long-term export contracts.</p> <p>Indicator GHG emissions avoided (Mt CO₂ eq.)</p>	<p>2.0 Mt CO₂ eq. of GHG emissions avoided (2022: 2.3 Mt CO₂ eq.)</p>	<p>The export volumes of our long-term contracts allowed us to avoid 2.0 Mt CO₂ eq. of emissions in 2023.</p>
	<p>9.2 Cut direct emissions of our operations by 35% by 2027.</p> <p>Indicator Direct GHG emissions reduced compared to 2018 (%)</p>	<p>7.8% decrease</p>	<p>We are continuing our initiatives to reduce our GHG emissions. The GHG emissions reduction target we set in our <i>Sustainable Development Plan 2020-2024</i> had to be revised downward, due to the indefinite interruption of the work to convert Îles-de-la-Madeleine generating station.</p>
	<p>9.3 Aim for carbon neutrality by 2030.</p> <p>Indicator Development and progress of a carbon-neutral strategy (%)</p>	<p>Target and indicator under review</p>	<p>Our GHG emission calculations are based on several factors, including scientific and international standards that are currently under review. Hydro-Québec is monitoring the changes in these parameters and, once they have been finalized, we will determine a new trajectory related to carbon neutrality.</p>

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<p>10. Equip Quebecers to lower their energy consumption through better electricity use.</p> <hr/> <p>Sustainable development goal</p> 	<p>10.1 Propose electricity management solutions to our business and residential customers that aim to cut energy use by 2.49 TWh and potentially reduce power demand by 1,523 MW compared to 2019.</p> <p>Indicators</p> <ol style="list-style-type: none"> 1. Reduction in energy use by business and residential customers (TWh) 2. Potential reduction in power demand (MW) 	<p>Reduction of 0.795 TWh of energy use by business and residential customers (2022: 0.824 TWh)</p> <p>Potential reduction in power demand of 789 MW (2022: 621 MW)</p>	<p>The energy use reduction target for business and residential customers now stands at 3.5 TWh within the period covered by the <i>Sustainable Development Plan</i>.</p> <p>Demand response projects and various rate options are helping to achieve our power reduction target. In 2023, the Hilo smart home service, the Demand Response (DR) Option for business customers, dynamic pricing and special rates applicable to the blockchain industry all played a part in reducing demand from business and residential customers. The overall result excludes blockchain activities supplied by municipal systems, and options related to interruptible energy.</p>
<p>11. Enhance and protect biodiversity.</p> <hr/> <p>Sustainable development goal</p> 	<p>11.1 Develop a corporate strategy for enhancing and protecting biodiversity.</p> <p>Indicators</p> <ol style="list-style-type: none"> 1. Development of a biodiversity enhancement and protection strategy in 2020 2. Progress on actions identified in the strategy (2021-2024) 	<p>Hydro-Québec's Biodiversity Strategy 2022-2026 adopted and published</p>	<p>In 2023, we launched several initiatives to protect and enhance biodiversity, in line with our Biodiversity Strategy, updated in 2022. We also examined our activities to find areas where we could intensify our efforts related to biodiversity.</p>

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<p>12. Reduce resource use by applying the principles of the circular economy.</p> <hr/> <p>Sustainable development goal</p> 	<p>12.1 Draft and deploy a logistics strategy that applies the best practices of the circular economy.</p> <p>Indicators</p> <ol style="list-style-type: none"> 1. Development of a logistics strategy in 2020 2. Progress on actions identified in the strategy (2021-2024) <hr/> <p>12.2 Use tools to integrate a total cost analysis (TCA) of goods and services at time of procurement into our governance.</p> <p>Indicators</p> <ol style="list-style-type: none"> 1. Development of a logistics strategy in 2020 2. Progress on actions identified in the strategy (2021-2024) 	<p>Objective of 1,100 all-electric, plug-in hybrid or hybrid vehicles reached. Indicators under review</p> <hr/> <p>Five calls for tenders were launched, incorporating total cost of ownership methods</p>	<p>We remain steadfast in our intention to replace all our vehicles with zero- or low-emission models once it is technologically and geographically feasible to do so. We also host a car-sharing platform, which allows employees to book vehicles from our fleet for business travel. Over 200 vehicles are already available in 17 locations across Québec. In 2023, we integrated over 350 zero- or low-emission vehicles into our fleet, bringing the total number of rechargeable hybrid vehicles or vehicles with auxiliary electric power supply to 1,125, compared with 769 in 2022.</p> <hr/> <p>To follow up on the guideline established in 2021 regarding the use of total cost of ownership, we launched five calls for tenders focused on total cost of ownership methods, for a total value of \$23 million. Among the goods covered were fiber optic cables, servers and other IT products.</p>