



A better and brighter future for all

2024
Sustainability
Report



About this report

Hydro One Limited's (referred to as Hydro One or the company) purpose is to energize life with reliable and sustainable solutions for a brighter future. To learn more about Hydro One, refer to the Corporate Profile in the **2024 Annual Report**.

Report scope: This Sustainability Report provides a balanced account of our performance across a range of environmental, social and governance (ESG) measures from January 1 to December 31, 2024. The information contained in this report is for Hydro One Limited. In instances where data is available only for our operating subsidiary, Hydro One Networks Inc. (Hydro One Networks), it is noted with an asterisk (*). Content that is marked with  indicates that these projects were financed in whole or in part by sustainable bonds. Financial figures in this document are reported in Canadian dollars. All figures are approximate figures and rounded to the nearest decimal place. Additional data is available in the **2024 ESG Data Index**.

Report process and frameworks: The annual Sustainability Report is reviewed and approved by Hydro One's Board of Directors (Board), the company's Disclosure Committee and senior management. Recognizing the evolving sustainability landscape, our reporting is guided by our most recent materiality assessment and

prepared using the global reporting standards and frameworks that are most relevant to our business, including: the Global Reporting Initiative (GRI); Sustainability Accountability Standards Board (SASB); recommendations from the Task Force on Climate-related Financial Disclosures (TCFD); and the United Nations (UN) Sustainable Development Goals (SDGs). The SASB disclosure is expected to be released in Q3 2025. These disclosures are available on our **sustainability website**.

External assurance: KPMG LLP (KPMG) was engaged to provide a limited assurance conclusion over indicators identified with † as at and for the period ended December 31, 2024. Our greenhouse gas (GHG) emissions data for 2024 was verified by external auditors GHD Limited (GHD) and is identified by ‡. For more information, refer to the **KPMG Independent Practitioner's Limited Assurance Report** and the **GHD Letter of Assurance**.



Connect with us

If you would like to connect with Hydro One, you can reach us at:

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Sustainability@HydroOne.com

Investor Relations:
Investor.Relations@HydroOne.com

Twitter: [@HydroOne](https://twitter.com/HydroOne)

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Instagram: [@HydroOneOfficial](https://www.instagram.com/HydroOneOfficial)

LinkedIn: [/company/hydro-one](https://www.linkedin.com/company/hydro-one)

Hydro One website: www.HydroOne.com

Hydro One sustainability page:
www.HydroOne.com/about/sustainability

Corporate Office:
483 Bay Street, Toronto, ON M5G 2P5

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Cover image: Beausoleil First Nation Chief Joanne P. Sandy with Erika Dawson (Indigenous Relations)

Executive message

It is an exciting time in Ontario, with rapid energization, a focus on a greener economy and the growing energy needs of all Ontarians, and Hydro One is excited to be at the heart of this time for our customers, employees and partners.



Megan Telford
Executive Vice President
Strategy and Energy Transition

In 2024, we made the decision to shorten our Sustainability Report and better align it with our refreshed corporate strategy and vision. We are focusing on strategic priorities set to enrich our customers' experience, enhance the electricity grid for sustainable economic growth, present new solutions for an electrified future and win with partners. We believe this renewed approach demonstrates the important alignment that exists between our strategy and sustainability.

We are excited about this approach and are looking forward to sharing the Sustainability Report with our stakeholders, customers, investors, Indigenous communities, partners and employees.

We are committed to this exciting future and to the vision we have for a better and brighter future for all – always with a focus on safety and our people.

Megan Telford
Executive Vice President,
Strategy and Energy Transition

Strategic priorities



Customers

Enrich our customers' experience



Growth

Enhance grid value needed for sustainable growth



Solutions

Create new solutions for an electrified future



Partnerships

Win with partners

Our approach to sustainability

The energy industry is in a state of transition. Electrification, grid expansion and modernization, and unprecedented customer growth, make this an exciting time for Hydro One.

We are committed to building a brighter future for Ontario by transmitting and distributing electricity in a safe, and environmentally and socially responsible manner to meet the needs of all Ontarians. Our corporate strategy and strategic priorities were refreshed in 2024 to prepare us for the future by focusing on the company's four pillars: customers, growth, solutions and partnerships.

With input from various stakeholders and engagement with Indigenous communities, partners and businesses, coupled with a **materiality assessment**, we identified 10 key sustainability topics as important to our business, with the energy transition emerging as the most important topic. This Report focuses on these 10 topics, in alignment with our corporate strategy and initiatives.

Our approach to the energy transition

Hydro One is actively positioning itself as an enabler of the energy transition and is well-positioned to contribute to the transition by meeting the growing demands for electricity in Ontario. We are also supporting the need for energy to flow from north to south in the province, and to connect First Nations communities and industries to the grid.

In January 2023, Hydro One became the first utility in Canada to publish a **Sustainable Financing Framework** (Framework¹). The Framework allows Hydro One and our subsidiaries to issue Sustainable Financing Instruments (SFI) and allocate the net proceeds to investments in eligible green and social project categories, including clean energy, clean transportation and energy efficiency.² For more information, refer to the **2024 Sustainable Finance Impact Report**.



Florence Au and Kevin Dickinson (Treasury) with the Electricity Distributors Association (EDA) Sustainable Excellence Award for Hydro One's Sustainable Financing Framework.



\$5.1 billion

SFIs issued since January 2023



\$2.75 billion

SFIs issued in 2024

¹ As updated from time to time.

² Ontario has one of the lowest carbon-emitting electricity grids in North America, with 87% of electricity generated in 2023 coming from non-emitting sources. The average Ontario system grid emissions five-year average is 40 gCO₂e/kWh (2019-2023), well below the 100 gCO₂e/kWh threshold in the Clean Energy category. Source of data: Canada's National Inventory Report, 1990-2023, Part 3, Annex 13, Table A13-7: Electricity Generation and GHG Emission Details for Ontario.

Our approach to sustainability

To enhance the value of the grid and support sustainable growth for customers today and in the future, we are advancing work on a network of new major capital infrastructure projects.³ In 2024, Hydro One completed the Chatham to Lakeshore Transmission Line project  one year ahead of schedule and under budget.⁴ We also began work on the Waasigan Transmission Line project, alongside our nine First Nations partners. Once completed, this project  is expected to bring an additional 350 MW of clean electricity to northwestern Ontario.

Sustainable procurement is expected to help support electrification efforts in Ontario. We have multiple sustainable procurement strategies to secure long-lead-time material for major projects by expanding our targeted sustainment practices and initiating a new process for bulk ordering of major equipment on an annual basis.

The energy transition will mean a continued focus on environmental management. As a utility operating in Ontario, we maintain an Environmental Management System (EMS) that is aligned with ISO 14001 standard requirements designed to integrate environmental protection into our business practices. We have well-established programs in place for waste management relating to liquid hazardous and non-hazardous wastes. In 2024, we continued to make progress in phasing out polychlorinated biphenyls (PCB)-containing electrical equipment by December 31, 2025, as required by law. Our environmental stewardship supports our priority to enhance the grid value needed for sustainable economic growth.



Hydro One President and CEO David Lebeter is joined by (L-R) Trevor Jones (MPP, Chatham-Kent-Leamington), Dean Jacobs (Consultation Lead, Walpole Island First Nation), Chief Leela Thomas (Walpole Island First Nation), Darrin Canniff (Mayor, Chatham-Kent) and Andrew Dowie (MPP, Windsor-Tecumseh) at an event marking the completion of the Chatham to Lakeshore Line.

³ For a list of our new transmission line projects, refer to the Major Transmission Capital Investment Project sections in the [Hydro One Limited 2025 Q1 Management's Discussion and Analysis \(MD&A\)](#) and page 13 of the [Hydro One Limited 2024 Annual Report](#).

⁴ For more information on how we achieved this milestone, refer to the interview with Sonny Karunakaran, VP Strategic Projects, in the [2023 Sustainability Report](#) (page 29).

Governance



45%

Women directors on our Board

As of December 31, 2024.

0

unresolved well-founded privacy complaints



As determined by the Privacy Commissioner of Canada. The term "well-founded" is used by the Office of the Privacy Commissioner of Canada when the commissioner has found that an organization has failed to respect a provision of the *Personal Information Protection and Electronic Documents Act*.

455 cases

received by our Corporate Ethics Office



Ombudsman's Office



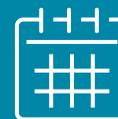
729

complaints received



100%

complaint acknowledgement (within 2 days)



99.6%

complaint resolution (within 30 days)



100%

recommendations accepted

Source: Office of the Ombudsman, Annual Report 2024.

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Corporate governance

Strong corporate governance is integral to sustainability, and we strive to align our corporate strategy and vision with our sustainability focus. We work towards success by monitoring key sustainability policies and ESG disclosures and measures.



Board oversight: The Board, through its four standing committees – the Audit Committee, the Indigenous Peoples, Safety and Operations Committee, the Governance and Regulatory Committee, and the Human Resources Committee – oversees the company’s approach to ESG matters.



Management oversight: The Executive Vice President (EVP), Strategy and Energy Transition oversees Hydro One’s sustainability approach, program and strategy, supported by the executive leadership team and a Vice President-level Sustainability Committee.



Risk management: Hydro One understands the importance of effective Enterprise Risk Management (ERM) and has a mature ERM program that:

- Aligns with the strategic priorities and objectives outlined in our corporate strategy; and
- Provides stakeholder visibility into our risk environment and key risk management activities.

The Board retains responsibility for the oversight of sustainability risks within the corporate risk profile, delegating components of those risks to standing committees in alignment with their mandates. Updates on Hydro One’s most critical risks are provided to the Board on a regular basis.



Aligning standards and performance: We have incorporated specific ESG-related measures directly into our short-term and long-term incentive plans, including employee health and safety, customer and reliability, Indigenous procurement, women in executive roles, and GHG emission reduction objectives.⁵



Ethical business conduct: Hydro One is guided by our Code of Business Conduct and supporting policies, which uphold our values, and commitment to caring in every connection. Our employees complete an annual refresher training on the Code of Business Conduct, including anti-fraud and anti-corruption policies.⁵



Ombudsman: The Office of the Hydro One Ombudsman, which reports directly to the Board through its Governance and Regulatory Committee, provides a confidential, impartial and independent review of customer complaints. For more information, please see the [Ombudsman website](#).

⁵ For more information, please review our [2025 Management Information Circular](#).

Regulatory engagement

Hydro One's approach to public policy is aligned with two of our strategic priorities – to enhance grid value and create new solutions for an electrified future. We are proud of the role we play as an enabler of the energy transition in Ontario. In 2024:

- Our leadership team submitted Hydro One's response to the Provincial Government's energy vision document, *Ontario's Affordable Energy Future: The Pressing Case for More Power*, advocating that planning and build-out of electricity infrastructure should accelerate to ready the province for the increased demands from the energy transition. We also advocated for a planning regime that is more integrated, more flexible, and better able to integrate distributed energy resources and other grid modernization initiatives.
- We engaged with the Ontario Energy Board (OEB) on a variety of initiatives, including electric vehicle (EV) adoption, grid resilience and system hardening, and housing connections, to advance our corporate commitment to create new solutions for customers. We also participated in the OEB's Cost of Capital Review, advancing positions to ensure that Ontario can continue to attract the capital needed to finance the expansion and modernization of the provincial grid.

We continued to advocate for a regulatory environment that simplifies grid expansion and prioritizes energy affordability and reliability.





Environmental

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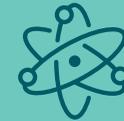
87%
carbon-emission-free
electricity

Independent Electricity
System Operator (IESO)
2023 Year in Review



62
hectares
pollinator habitats
established

Carbon-free sources of electricity



53%
nuclear



25%
hydroelectric
power



9%
other renewable
sources

IESO 2023 Year in Review



41%[†] decrease

operations-driven GHG emissions
compared to the 2018 baseline

Refer to page 9 for a definition of operations-driven
GHG emissions.



98%
spill recovery rate

Fleet electrification goal



convert 50%
of our fleet of sedans
and SUVs to EVs or
hybrids by 2025 and
100% by 2030

Progress (by the end of 2024)



44%[†]
of our sedans and SUVs
were converted to EVs
or hybrids



**35 charging
stations**
installed to support EVs

Climate change mitigation



In 2021, Hydro One announced its plans to achieve net-zero GHG emissions by 2050, with an interim target to achieve a 30% reduction in emissions by 2030.⁶

Following a review of its Scope 1 and Scope 2 emissions over the past three years, Hydro One has revised its target for achieving a reduction in GHG emissions to focus on an “operations-driven” target. Hydro One’s target for Scope 2 emissions previously included both indirect emissions from its delivery system (such as line losses) and operations owned or controlled by Hydro One (such as energy consumption in its facilities). Hydro One’s Scope 2 emissions from line losses, have increased over the period due to increased electricity demand and a changing generation mix in Ontario, which are factors beyond Hydro One’s control.

As revised, Hydro One will focus on reducing its “operations-driven” Scope 1 and Scope 2 GHG emissions by 30% by 2030 against a 2018 baseline and achieving net zero emissions by 2050. Hydro One will measure and report on “operations-driven” Scope 1 and Scope 2 emissions, which include emissions directly related to Hydro One’s operations, including energy consumption in its facilities, emissions from its fleet, and other direct operational activities. Hydro One has adjusted to an “operations-driven” target because these emissions are directly in its control.

2024 performance

Our total reported operations-driven GHG emissions in 2024 were approximately 101,000 metric tonnes of carbon dioxide equivalents (tCO₂e), with Scope 1 (direct) and Scope 2 – purchased electricity (indirect) emissions accounting for approximately 99,000 tCO₂e and 2,000 tCO₂e, respectively. We have reduced our operations driven emissions (Scope 1 and Scope 2 – purchased electricity) by approximately 41%[†] compared to our baseline year of 2018. Our operations-driven GHG emissions are estimated to be just 0.06% of Ontario’s total emissions.⁷

This significant reduction was driven by our sulfur hexafluoride (SF₆) emissions management efforts, among other initiatives, with the result that the reduction of emissions directly in our control has been achieved ahead of our interim target.

 ~3,000[†] (tCO₂e)
avoided emissions



equivalent to a year’s exhaust from
~900 passenger cars

Calculated from <https://oee.nrcan.gc.ca/corporate/statistics/neud/dpa/calculator/ghg-calculator.cfm>

What are Hydro One’s emissions?

Operations-driven emissions:

Operations-driven emissions are those that Hydro One directly controls, including Scope 1 (direct) emissions and Scope 2 – purchased electricity (indirect) emissions.



Scope 1

Direct emissions from assets and operations owned or controlled by Hydro One, such as emissions from combustion of fuel in fleet vehicles owned or controlled by Hydro One.



Scope 2 (operations-driven)

Indirect emissions from assets and operations owned or controlled by Hydro One, such as emissions associated with purchased electricity for use in facilities owned or controlled by Hydro One.



Scope 2 (delivery system losses)

Indirect emissions from electricity lost in transmission and distribution (line losses).

⁶ Compared to the 2018 baseline.

⁷ All data is from the ECCC’s National Inventory Report 1990–2023: Greenhouse Gas Sources and Sinks in Canada, Part 3. Hydro One’s emissions are those that directly relate to the electricity sector.

Climate change mitigation

The following key initiatives have resulted in the decrease in Hydro One’s operations-driven emissions:

1. Reduction in SF₆ emissions was driven in our operations by improved repair timelines, gas-handling procedures, and maintenance and safety briefings. We continued to work with standard bodies such as International Electrotechnical Commission (IEC), CIGRE, and vendors to explore alternatives available for SF₆. While there are limited breakers that use gases other than SF₆ that are tested and commercially viable at high voltages, we have purchased a 500kV breaker – on which the manufacturer is performing type tests – for pilot installation at Lennox TS.  We intend to continue working diligently with stakeholders to keep up with and deploy SF₆ alternative gas technology that, in a cost-effective manner, helps reduce SF₆ emissions on our networks without compromising safety and reliability.

2. Fleet management: Hydro One’s policies to green our fleet include:

- **Electrification:** We developed an integrated green fleet acquisition and charging strategy to support internal infrastructure and guide acquisition and deployment of EVs and hybrids.
- **Renewing our fleet:** We replaced our aging fleet, both heavy and light, with newer internal combustion engines and also replaced sedans and SUVs with EVs and hybrids, which reduced GHG emissions due to their cleaner engine technology.
- **Anti-vehicle idling policy:** We continued to implement an anti-vehicle idling policy across Hydro One. Our operators are key to the success of this policy, and we support them with ongoing coaching, education and awareness campaigns.

3. Energy efficiency in facilities: The Remote Command Centre (RCC) is a program designed to optimize performance and reduce energy consumption, GHG emissions and operating costs within RCC-connected buildings.

Reduction in operations-driven emissions compared to the 2018 baseline



44%[†]
sedans and SUVs converted to EVs or hybrids by the end of 2024



Climate change adaptation

Hydro One's facilities are exposed to the effects of severe weather conditions and natural disasters. Climate change may have the effect of shifting weather patterns and increasing the severity and frequency of extreme weather events and natural disasters.

Hydro One has made efforts to adapt and increase grid resilience, including sourcing alternative materials and equipment types, adjusting operational processes to incorporate climate risk, and supporting ongoing innovation through research and outreach.



Resiliency: As part of our corporate strategy to deliver sustainable growth, Hydro One is committed to building climate resiliency into our infrastructure and investment planning to enhance grid value. In 2024, we completed an assessment to change transmission planning design temperatures from 30 to 35 degrees across Ontario in consultation with the IESO. The updated temperatures design planning is expected to protect equipment – lines and transformers – from high temperatures and help minimize equipment failure. Hydro One is among the first transmission companies to take such a step in addressing rising temperatures due to climate change. We continue to work with standards bodies such as the CSA Group and the International Electrotechnical Commission (IEC) to revise, update and develop new standards to address climate change.



Wildland fires: Hydro One's assets are geographically dispersed throughout Ontario and are subject to wildland fire risks. Hydro One has taken steps to minimize the risk of wildland fires, including establishing an emergency preparedness and response framework to deal with the dangers of wildland fires.

In 2024, Hydro One enhanced our wildland fire preparedness program, including documenting our Wildland Fire Monitoring and Investigations processes. We also introduced training for field and in-office staff and launched an active dashboard that monitors fire risks across Hydro One's operating centres. To protect our assets and mitigate wildland fire risks, we manage vegetation around our facilities and infrastructure, including poles, and clear vegetation on our rights-of-way (ROW). In 2024, Hydro One initiated pilot projects that utilize remote sensing data from satellite imagery and LiDAR (light detection and ranging) to quantify and determine vegetation clearances and potential reliability concerns, as well as assess potential wildland fire risks that may be present.⁸



Peter Zhao (Transmission Asset Management), received a fellowship by the Institute of Electrical and Electronics Engineers (IEEE), the highest level within IEEE. Peter was recognized for his work to develop safer and more reliable bushing and transformer standards, leading to increased reliability, reduction in environmental impacts and enhanced safety for the communities we serve.

⁸ For additional measures we take related to wildland fires, refer to page 38 of our [2023 Sustainability Report](#).

Social

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12 initiatives

Safety Improvement Plan successfully implemented



5.5%+
of total sourceable spend for purchases with Indigenous businesses and materials

\$3,063 million
capital investment in the grid



Awarded the development of **Wawa to Porcupine Transmission line**

with support of majority of impacted First Nations

Safety Excellence Award



Transmission Utility from Electricity Canada



Chartwell Gold Customer Service Award

For implementation of Conversation Analytics and AI Roadmap

14 Emergency Response Awards



from the Edison Electric Institute for our storm recovery efforts over the years

Health and safety

Safety is a core value of our company and is foundational for a sustainable Hydro One. As an electricity utility, we are responsible for keeping our workers and the public safe, and for ensuring that power is reliably delivered, and our infrastructure is safely managed.

We take this responsibility very seriously, and it is part of everything we do – safety is embedded in our corporate culture. This includes commitments to safety, inclusion, physical and mental health and wellness. We continue to work to inspire and promote personal safety and safety leadership across the organization.

Our approach to safety is guided by our corporate values; the ISO 45001 Health and Safety standard; our Health, Safety and Environmental Management System; and our Safety Improvement Plan. We measure our safety performance and are committed to continuous improvement.

2024 performance

Hydro One achieved our targets across various safety metrics in 2024 by focusing on operational discipline, frontline leadership and through job planning. Improved analysis of incident data enabled us to proactively identify risks and improve safety outcomes.

In 2024, for the third consecutive year, we experienced zero fatalities. We also achieved our best recordable injury rate on record, a rate well below 1.0 (per 200,000 hours worked), surpassing industry standards and continually improving year over year. This rate enabled us to receive for the third year in a row, the Electricity Canada Safety Excellence Award, Transmission Utility.

While we are proud of our achievements, it is important to acknowledge that we had two high-energy serious injury incidents in the first four months of 2024, illustrating the challenging nature of Hydro One’s work and the need for continued vigilance. After investigating these incidents, we assigned various corrective actions to identify and address gaps to continue on our trajectory toward Hydro One’s goal of zero life-altering injuries and fatalities.

Goal: Zero life-altering injuries and fatalities

In 2024 (per 200,000 hours worked):

0
fatalities

0.02
high-energy serious injury and fatality rate



0.55
total recordable injury rate

well below industry benchmark of 1.0



Electricity Canada Safety Excellence Award

Transmission Utility
3rd consecutive year

Health and safety

Hydro One's Safety Improvement Plan, first initiated in 2021, was the driver for our improved safety performance. 2024 was the fourth and final year of the plan, during which Hydro One implemented the last three (of 12) initiatives:

- **Operational discipline** with a focus on frontline leadership to drive field presence and enhanced workplace safety observations.
- **Acquire and develop the best people** to improve development and performance management programs for middle management.
- **Continual improvement powered by analytics** to support frontline leadership by simplifying the way we collect, analyze and communicate safety information.

In 2025, Health and Safety intends to refresh the Safety Strategy to focus on maturing frontline safety leadership, enhancing existing safety systems, and supporting employees in order to foster operational excellence.



12 initiatives

Safety Improvement Plan successfully implemented



88%
Safety index

The safety index measures employee sentiment around Hydro One's focus on safety as a core organizational priority (2024 annual myExperience employee engagement survey).



Cansu Sogut Kavurmacioglu (Research and Insights) pictured right with the EDA Public Safety Excellence Award for Hydro One's 2024 Safety Campaign to improve public awareness of electrical safety.



Jason Elliott (H&S) with Hydro One President and CEO David Lebeter after receiving Electricity Canada's Lifesaving Award for providing life-saving assistance to a road accident survivor.



Janet Holt, Director, H&S Field Support - winner of Top Women in Safety 2024 by Canadian Occupational Safety.

Customer focus

Our corporate strategy puts our customers first, and we focus on enriching their Hydro One experience. We strive to deliver easy and exceptional customer experiences.



Georgia Young (Customer Care) puts into practice what caring in every connection is all about.

As we look to the future, we intend to empower customers to make informed decisions, while understanding and providing solutions to their evolving needs. We know our customers expect reliable service, while also looking to reduce their costs, adopt new technologies and lower their carbon footprint along their energy transition journey.

- Driving strategic investments to improve customer satisfaction, build trust, and cultivate operational excellence.
- Improving customer service to enrich the customer experience.
- Developing new products and services to meet emerging customer needs.
- Committing to cross-departmental collaboration as a key to successful customer service.

2024 performance

We saw an increase in customer satisfaction scores for our residential and small business customers, and commercial and industrial customers, while there was a decline in our transmission customer satisfaction scores.

- **Residential and small business customers:** The main drivers for the improved scores are reliability, affordability, ease of doing business, and understanding customer needs.
- **Commercial and industrial customers:** Reliability, speed of power restoration and quality of customer service are key factors driving up scores for these customers.
- **Transmission customers:** Reliability, outages, quality of customer service and relationship with account executives all impact scores for these customers. In 2024, while the overall customer satisfaction remained relatively high, major weather events and system outages slightly impacted the transmission scores.

Customer satisfaction* (%) in 2024



We have enhanced our customer service training to enrich the customer experience, and promote contact centre staff job satisfaction through:

- An enhanced AI-powered knowledge assistant to help frontline staff with customer interactions.
- Advanced analytics solutions to help us improve staff training, make smarter decisions and help reduce repeat calls while providing better customer service.

Customer choice

The energy transition is expected to result in a significant increase in electricity demand on Ontario's electricity system.

To help our customers achieve their energy transition goals, we are enhancing the grid to deliver sustainable growth and investing in a range of strategies and programs.



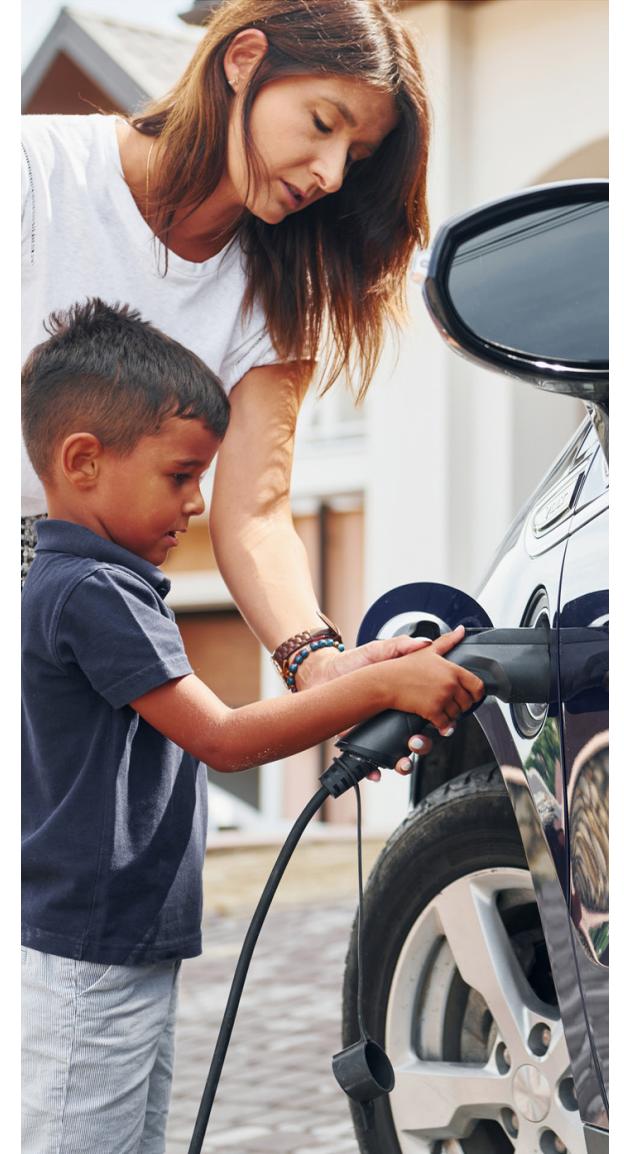
DER enablement strategy: Hydro One is enabling increased adoption of clean renewable energy resources by maximizing the value of distributed energy resource (DERs)⁹ for customers and the grid. We are collaborating with Ontario's largest local distribution companies (LDCs) to create platforms where we can offer financial incentives to customers, empowering them to participate in the energy transition and contribute to sustaining a safe and reliable grid.



⁹ DERs are resources connected directly to the grid or indirectly behind a customer's meter to generate energy, store energy or control load.



myEnergy Rewards: In the spring of 2023, Hydro One launched *myEnergy Rewards*, a program that allows customers to enrol eligible smart home devices, such as smart thermostats, EVs and EV chargers, in exchange for receiving up to \$200 in financial incentives for their participation in demand response events. This program empowers customers to help optimize Ontario's electricity grid, reducing stress on the system during times of peak demand by lessening or shifting their electricity usage. By December 31, 2024, program enrolment was nearly 29,000 households, which together build a virtual power plant that can be used as a flexible resource to address local distribution system needs, while providing a great customer experience.



Affordability



To support a fair and affordable energy transition, in collaboration with our peers, the IESO, and the OEB, we assist customers who may be sensitive to cost increases through multiple affordability programs and by maximizing the payment options and support measures available to them.

In 2024, we distributed funding to low-income customers through the Low-income Energy Assistance Program (LEAP) and personalized education offerings on affordability through LEAP and the Ontario Electricity Support Program (OESP).

We help support on-reserve customers in First Nations communities to improve energy efficiency through the IESO's Save on Energy programs, including the Energy Affordability Program and the Remote First Nations Energy-Efficiency Program. We also enhanced our Get Local visits with First Nations community members. These visits provide communities with information on, and assistance with, various support programs and allow them to address any concerns directly with Hydro One.



Sagamok Anishnawbek Food Bank, a recipient of Hydro One's Energizing Life Community Fund, addressing food insecurity in their First Nation community.

Reliability

Reliability is about more than just keeping the lights on; it is about supporting economic growth across the province. It is the backbone of our vibrant and evolving economy, and is reflected in our strategic objective to enrich our customers' experience by meeting their needs.

2024 performance

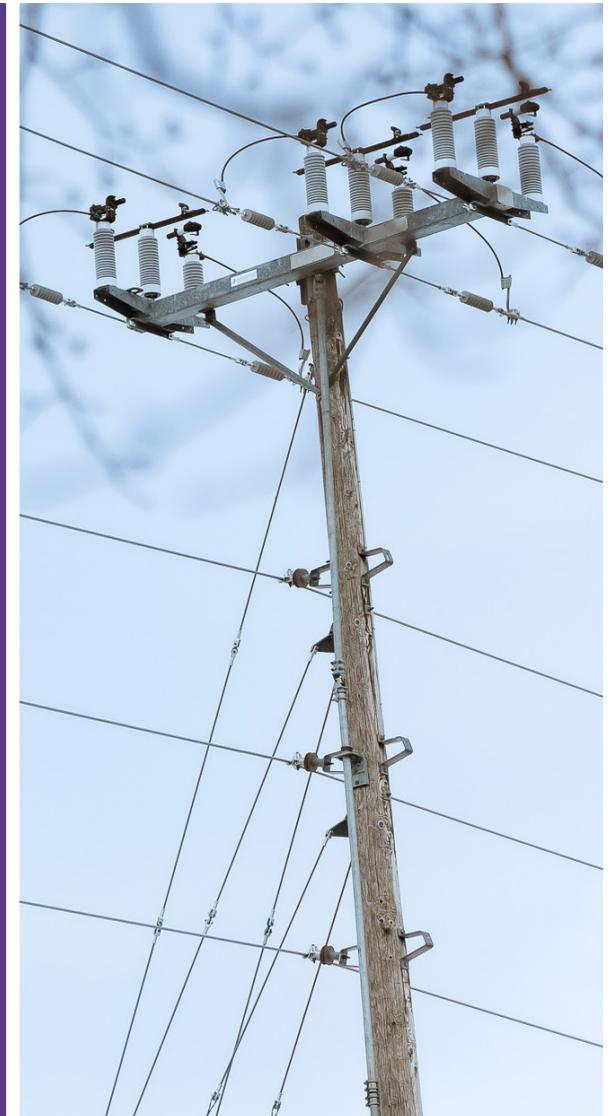
Hydro One's transmission system enables us to send bulk amounts of electricity from hydroelectric, wind, solar, nuclear and natural gas generators over long distances to LDCs and other Hydro One customers. These companies, in turn, provide power to Ontario homes and businesses. To attract new business to the province, create jobs, connect new customers and help communities grow, Hydro One invested \$3,063 million in capital in 2024 to expand and renew the electricity grid, modernize existing infrastructure and improve reliability.

Our reliability performance* in 2024

System Average Interruption Frequency Index (SAIFI) (per delivery point per year)

 <p>Transmission – 0.3¹ (per delivery point per year)</p>	 <p>Distribution – 2.7² (per customer per year)</p>
 <p>Customer Average Interruption Duration Index 2.9 hours (per customer per year)</p>	 <p>1,500+ distribution modernization devices installed leading to</p>
 <p>Safely treated 680,000+ vegetation-defects affecting distribution customers</p>	 <p>28 million customer minutes saved</p>

¹ We report the transmission SAIFI for multi-circuit supplied delivery points. The transmission SAIFI numbers do not include any events with more than 10,000 MW minutes unsupplied energy, initiated by uncontrollable causes, such as weather, environment, or foreign object interference.
² The distribution SAIFI numbers do not include any force majeure events. We deem a force majeure to have occurred when the daily SAIFI exceeds the 2.5 Beta threshold based on the IEEE standard.



Overhead gang-operated disconnect switches on our distribution poles to help improve grid reliability.

Reliability



Investment in our grid: Across Ontario, Hydro One continues to invest in infrastructure so that the grid can efficiently power Ontario's communities and economy. These investments have involved replacing and/or refurbishing system assets to extend their original service life to meet current and future electricity needs and maintain supply reliability. For example, in 2024, Hydro One replaced autotransformers at the Sarnia Scott Transmission Station (TS) and the Porcupine TS and rebuilt the Wilson T1/T2 switchyards. 



Transmission reliability: Hydro One's investments in the grid improved the reliability of our transmission system. The improvement in reliability is in part due to the reduction in the number of inadvertent (human-caused) interruptions. We actively participate in post-event investigations, applying learnings from these investigations to make improvements to strengthen reliability. We also created a dedicated wildlife abatement team that allows for increased site inspections to identify potential issues and plan for mitigation measures to reduce wildlife-related disruptions within our substations.



Distribution reliability: Hydro One continues to invest responsibly in our core distribution business. We are leveraging the power of technology – smart switch installations, communicating sensors and residential reliability improvements – to better serve customer needs and respond faster to power outages.



Managing vegetation for better reliability: Hydro One's grid transects Ontario's diverse network of rural and urban forests. We have a dedicated in-house Forestry Services team that manages and mitigates the impact of trees and vegetation on our service delivery. In 2024, Hydro One expanded our Forestry Outliers program, an initiative to trim or remove trees that pose a direct risk to reliability despite regular inspection and maintenance. The program also reviewed data related to tree risk exposure, historical outage frequency and the number of customers impacted when selecting target feeders for enhanced vegetation management.



Storm response: Our highly skilled storm responders have a long history of working safely to support communities, including those outside Ontario, during times of crisis. Hydro One sent approximately 150 skilled employees and equipment to Georgia and Florida to help restore power alongside crews from local utilities following the devastating effects of Hurricanes Helene and Milton.



Hydro One employees help to restore power after two destructive storms hit the southern U.S.

Indigenous relations

Hydro One continues to work with Indigenous communities in accordance with our guiding principles – early, Indigenous-led engagement for the life cycle of our assets – from development to construction and operations.

We have full-time engagement teams dedicated to our projects and to the important communities who continue to host our infrastructure on their traditional territories. In 2024, Hydro One continued to deliver on our strategic priorities, with a focus on Winning with Partners in our Indigenous Relations function. The energization of the first transmission line under the First Nations Equity Partnership model – the Chatham to Lakeshore Transmission Line , which went into service in December – was an important Indigenous Relations milestone for Hydro One.

We take engagement seriously: we respect the time and resources Indigenous communities give us and we record our engagements and monitor our commitments. We have transformed how we fund engagement by offering multi-project funding agreements when we have multiple work projects in a region. We continue to be committed partners when work is completed by offering long-term education and training, community investment (20% of our corporate community investment

remains dedicated to Indigenous communities) and by understanding and advocating for energy and infrastructure needs identified by Indigenous communities.

2024 performance

Energy infrastructure such as three-phase power (power that can accommodate community needs for commercial and industrial undertakings like housing developments and water treatment) were a continued focus for Hydro One based on priorities identified by Indigenous communities during engagement.

We supported the plans and aspirations of communities for a greater voice in energy planning and were proud to play a key role in supporting the Animbiigoo Zaagi'igan Anishinaabek, Aroland First Nation and Ginoogaming First Nation, Biinjitiwaabik Zaaging Anishinaabek, Bingwi Neyaashi Anishinaabek and Red Rock Indian Band on the development of their proposed plan for the Greenstone Region.

In 2024



21% of donations and sponsorships

were directed to Indigenous communities



Exceeded the target of 20%

corporate community investment toward Indigenous communities



Spent **\$158.3 million**

of total sourceable spend, including direct purchases from

96 Indigenous businesses

Completed three-phase power connections in



Indigenous relations

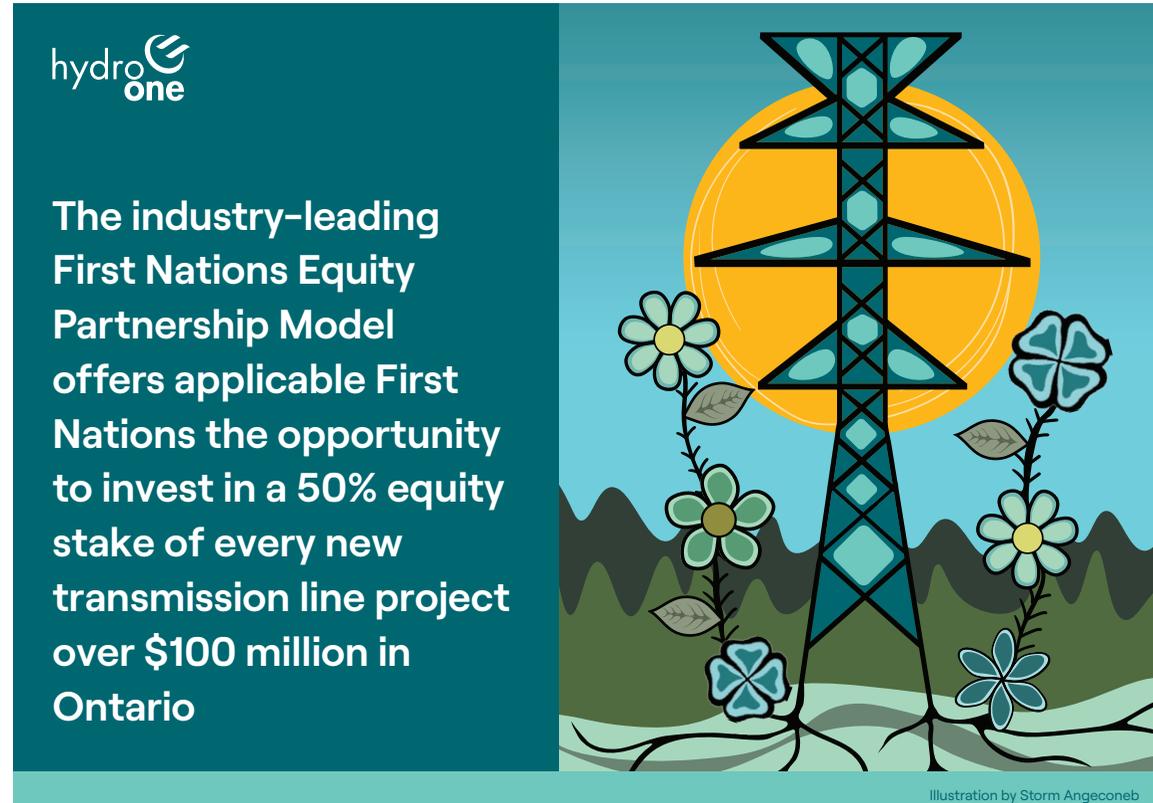


Illustration by Storm Angeconeb

We continued to support the development of strategic projects under our First Nations Equity Partnership model for new transmission line projects with a value over \$100 million. Our transformative model of early collaboration with partners culminated in the award of the Wawa to Porcupine Transmission Line, part of a competitive process for which we had the support of a majority of the impacted First Nations. The award came after more than two years of collaboration with our partners.



Indigenous procurement:

Hydro One spent over **\$158.3 million** (or 5.5%† of total sourceable spend), establishing a new record for purchases with Indigenous businesses and materials due to our precedent-setting procurement model. For 2024, we exceeded our goal of 5% of total sourceable spend by 2026 and remain on track to meeting this goal.



To support the growth of our suppliers, in 2024, we held an Indigenous Supplier Business Fair to provide a platform for Indigenous businesses to showcase their products and services. We also hosted the second Engineering, Procurement and Construction Safety Summit to foster conversations with our contractors, including Indigenous contractors, on collaboration and safety. We continue to support the Retain and Grow program to increase Indigenous procurement and turn high-performing Indigenous suppliers into top Hydro One suppliers.

Indigenous Business Fair hosted by Supply Chain



Katie Manu, Bav Mistry, Madhu Rupasinghe and Jake Kadwall.



Laura Laverde and Brandon Walsh with Duffy Simon (pictured centre) from Planet Stitch.

Inclusion



Fostering a culture of inclusion is central to Hydro One's workforce planning strategy. We stand for people, as reflected in our core values.

A sustainable workforce involves having diverse perspectives and approaches, and Hydro One continues to attract a highly skilled and engaged workforce to lead the energy transition. Our commitment prioritizes our employees and fosters an inclusive work environment where employees have a sense of belonging.

2024 performance

We have taken a proactive and thoughtful approach to identifying and recruiting talent to build the skills and capabilities for the next-generation Hydro One workforce. We have signed onto two key public commitments: the BlackNorth Initiative Pledge (since 2020) and the CEO Champions for Change (since 2023).

Building a diverse talent pipeline for Hydro One and Ontario.

Hydro One is a founding partner of Electricity Now™, a national initiative designed to bring electricity and climate change education to grade 9 and 10 classrooms across Canada. This bilingual program aspires to educate nine million youth by 2050 about the sector and to provide inspiration for careers. The program will offer hands-on experience and combine current curriculum with industry training.

Other partnerships that will help us build a more diverse talent pipeline include Women in Engineering, Black Professionals in Tech, and skilled trades-related partners such as We Build a Dream and Jill of All Trades.

Building a diverse talent pipeline is part of fostering an inclusive workplace. We prioritize programs that promote inclusion and employee wellbeing, including continuing to roll out the Step Up program to address inclusion, respect and psychological safety across the company.

In 2024, we advanced these commitments by



Completing a third-party review

of our Diversity and Inclusion Strategy Action Plan and Roadmap



Hiring 5.3% Black students

(against a goal of 5% Black student hires by 2025)



Reaching 41.7%† women executives



Performance at the launch of the South Asian Network employee resource group.

Inclusion

Growth: Hydro One remains committed to continuous learning and capability building to develop the talent needed to lead us through the energy transition. Our *Leader of Tomorrow Competency* framework outlines the critical leadership skills and behaviours needed to drive our long-term success. We prepare senior leaders for success through our leadership development curriculum, which provides diverse learning and growth opportunities.

Preparing Managers for the Future: Hydro One is helping managers grow as leaders through the following training programs:

- An *Effective Supervision Series*, which delivers foundational training to Field Supervisors, emphasizing safety leadership and team management.
- Our signature *People Leader Development Program* for mid-level field managers, providing practical tools to enhance team performance, safety leadership, and inclusion.
- The *Bringing Talent to the Board* initiative, which provides senior leaders with exposure to our Board of Directors, helping them to grow and succeed.



Mentorship programs are expected to enable Hydro One to foster innovation and create solutions for an electrified future, aligned with our strategic commitments.

- We are developing the next generation of safety-minded, skilled tradespeople through the *Trades Mentorship Program*.
- We continue to recruit and support a diverse talent pipeline through our *Diversifying Apprenticeship Hiring Initiative*.



Simon Kaddu, an Electrical Apprentice (Station Services) at work.

Forward-looking statements

Certain information in this report and its appendices contains “forward-looking information” within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of applicable U.S. securities laws (collectively, “forward-looking information”). Statements containing forward-looking information are made pursuant to the “safe harbour” provisions of applicable Canadian and U.S. securities laws. Forward-looking information in this report and its appendices is based on current expectations, estimates, forecasts and projections about Hydro One’s business and the industry, and the regulatory and economic environments in which Hydro One operates and includes beliefs of and assumptions made by management. Such statements include, but are not limited to, the company’s sustainability objectives; the company’s expectations regarding electrification and grid expansion, customer growth, significant increase in electricity demand on Ontario’s electricity system, generation mix, and the energy transition, including the company’s role in facilitating such transition, the energy transition’s impact on the company and its stakeholders and focus on environmental management, the opportunities for the company arising from the energy transition, related investments and the anticipated impacts of such investments; future energy demands and the impacts of such demands; connecting First Nation communities and industries to the grid; work on a network of new major capital infrastructure projects; expectations for the Waasigan Transmission Line project to bring additional clean electricity to northwestern Ontario; expectations about the effects of Hydro One’s sustainable procurement; our strategies to secure long lead-time material for major projects by expanding targeted sustainment practices and initiating a new process for bulk ordering major equipment; aligning our corporate strategy and vision with Hydro One’s sustainability focus; investments to improve Hydro One’s system reliability, and commitments with respect to vegetation management and storm response and the anticipated results therefrom; the

company’s commitment to building climate resiliency into its infrastructure and investment planning; the expected impact of updated temperatures design planning on protecting Hydro One’s equipment; continuing to work with standards bodies to revise, update and develop new standards to address climate change; our trajectory toward Hydro One’s goal of zero life-altering injuries and fatalities; our intention to refresh Hydro One’s safety strategy; the company’s priorities relating to opportunities for employee growth and success with the company; the company’s ongoing and planned sustainability priorities and commitments, including target dates; the company’s goal to have 3.5% Black executives and Board members and 5% Black student hires by 2025; the company’s goal to achieve a target of 30% reduction of “operations driven” Scope 1 and Scope 2 GHG emissions by 2030 against a 2018 baseline and net-zero GHG emissions by 2050 and plan to report on the same; the company’s goal to convert 50% of its fleet of sedans and SUVs to EVs or hybrids by 2025 and 100% by 2030; the company’s goal of achieving Indigenous procurement spend of 5% of the company’s total sourceable spend by 2026; the company’s target of directing 20% of its community investment to Indigenous communities; our statements relating to the company’s First Nations Equity Partnership Model; ; the company’s plans to continue to reduce SF₆ gas emissions and the use of SF₆ and expectations to pilot non-SF₆ equipment; statements about the company’s talent management priorities and mentorship programs; the company’s activities with regulators and other stakeholders and the results therefrom; the company’s continued issuance of SFI; the company’s customer focus expectations, commitment to provide a consistent level of service and related priorities; our collaborations with LDCs to create platforms to offer financial incentives to customers; upgrades to our transmission circuits and anticipated benefits; our intention to study the benefits and value of using native pollinator planting strategies; statements about our commitment to TCFD reporting; the expected

economic, resiliency, reliability and capacity benefits of the company’s new and upgraded transmission stations; the expected use of the results of the company’s climate scenario analysis to support implementation of the company’s climate adaptation actions; the implementation of the company’s climate adaptation plan and possibility of an update every five years, or as required by changing legislation, to incorporate the latest climate science; the company’s intention to continue to improve reliability through investments and modernization of the grid; and expected future capital investments and expenditures and the nature and timing of these investments and expenditures and anticipated results.

Words such as “aim”, “could”, “would”, “expect”, “schedule”, “budget”, “anticipate”, “projects”, “forecast”, “potential”, “strategy”, “intend”, “may”, “plan”, “will”, “believe”, “seek”, “estimate”, “goal”, “commitment”, “target”, “can”, “continue”, “vision”, “could”, and negative and grammatical variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking information.

The forward-looking information in this report and its appendices is based on a variety of factors and assumptions including, but not limited to: no unforeseen changes in the legislative and operating framework for Ontario’s electricity market or for Hydro One specifically; no unexpected delays in obtaining required regulatory approvals; no unfavourable changes in environmental regulation; a stable regulatory environment; no changes to expectations regarding electricity consumption; no unforeseen changes to economic and market conditions; Ontario’s electricity demand will increase; energy generation and supply composition will be favourable; the number of Hydro One vehicles and facilities will

not change significantly; and no significant event occurring outside the ordinary course of business. These assumptions are based on information currently available to Hydro One, including information obtained from third-party sources. Actual results may differ materially from those predicted by such forward-looking information. While Hydro One does not know what impact any of these differences may have, the accuracy of the forward-looking information in this report and its appendices, Hydro One’s business, results of operations, financial condition and credit stability may be materially adversely affected if any such differences occur.

Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information are discussed in more detail in the sections entitled “Forward-Looking Information” and “Risk Factors” in Hydro One Limited’s most recent annual information form, the sections entitled “Risk Management and Risk Factors” and “Forward-Looking Statements and Information” in Hydro One Limited’s most recent annual management’s discussion and analysis of its financial condition and results of operations and the section entitled “Forward-Looking Statements and Information” in Hydro One Limited’s most recent interim management’s discussion and analysis of its financial condition and results of operations which are filed on SEDAR+ under Hydro One Limited’s profile at www.sedarplus.com. You should review such materials in detail, including the matters referenced therein.

Unless otherwise indicated, forward-looking information in this report and its appendices describe the company’s expectations as at May 16, 2025 and, accordingly, are subject to change after that date. Hydro One does not undertake or assume any obligation to update or revise any forward-looking information for any reason, whether as a result of new information, future events or otherwise, except as required by applicable laws.