ORES Annual Report

2021

NAME AND FORM
ORES. Cooperative company. CBE Number 0897.436.971

HEAD OFFICE
Avenue Jean Mermoz 14, 6041 Gosselies.

INCORPORATION
Incorporated 18 April 2008. Deed of incorporation published in the Appendices to the Moniteur belge (Belgian Official Gazette) of 30 April 2008 under number 065395.

ARTICLES OF ASSOCIATION
The articles of association have been amended on several occasions most recently under the terms of a deed received by notary, Mr Frédéric de RUYVER, residing in Court-Saint-Etienne, on 18 June 2020, published in the Appendices to the Moniteur belge dated 26 June 2020 under number 20328587.

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INTRODUCTION

1. Message from the Chairman of the Executive Board

As we look back and take stock of 2021, there are a number of important events in the life of our business that need to be highlighted. Just like other companies, we were affected by the continued pandemic, with its succession of lockdowns, as well as its effects on the global economy, which influenced the daily lives of our teams and threatened the continuity of some supplies of materials. On the other hand, though, ORES also demonstrated its resilience in the face of these and other events that punctuated what was a complicated year, most particularly during the dreadful floods that struck Belgium in mid-July, causing considerable damage to the distribution networks.

2021 also saw us reach several important milestones. One of the key points for the future of ORES is undoubtedly the response made by the company to towns, cities and local council areas as part of the procedure for renewing the management mandates of the electricity and gas distribution networks. Launched in February, this procedure provided for a call for applications to be made by each of the 262 municipalities in Wallonia to enable them to propose their future distribution system operator (DSO) for the period 2023-2043 to the Walloon Government. For ORES, it was an opportunity to examine the expectations of the Municipalities, in particular with regard to the challenges of energy transition, our ability to respond to them, their level of satisfaction regarding the quality of our service and the close relationship maintained with the authorities and citizens. We submitted applications to all of the local authority areas served by ORES, as well as to several others to which we firmly believed we can bring genuine added value. As 2022 begins, this procedure is still in progress and will culminate next summer with the appointment of the DSOs by the Walloon Government. Thus far, the feedback received about our applications is more than encouraging. The various Municipal Boards and Councils have very much restated their confidence in ORES, which reinforces us in our vision and in the continued implementation of our strategic plan.

Another vital landmark moment for ORES – as for the country's other system operators – was the launch of the new, unified data exchange platform for the gas and electricity sector. Working together within Atrias, the DSOs have spent a number of years on its development, in consultation with the energy providers. From the beginning of November to mid-December 2021, a gradual start-up phase led to the final go-live of what is now called the CMS (Central Market System) for energy in Belgium. The CMS will enable the centralised processing of a considerable number of operations and a large volume of data about the market – all with greater speed, transparency and accuracy. This major change is yet another very important step in the development of the market, with future benefits for all of the parties involved – and particularly for customers in terms of service. It will also be a tool for energy transition, in particular by supporting the rollout of smart meters.

As part of our programme to further guide and facilitate energy transition, we achieved more tangible results on our roadmap. For instance, in September we passed the milestone of 100,000 LED fittings for public lighting and, today, almost 30% of the public lighting stock managed by ORES has already switched to this technology. October saw another symbolic figure reached with the installation of the 30,000th smart electricity meter on our network. These meters are essential elements for the future, as is the introduction of data management tools that enable both the better management of the way (renewable) energy flows into the grid, as well as the ability to make efficient solutions available for customers to monitor and control their energy consumption.

Elsewhere, our teams connected two new biomethanisation units to the gas distribution network in 2021. Located in Quévy and Les Bons Villers, these new units come in addition to the Fleurus installation, which was the first to be connected to our network, back in 2020. They now enable several thousand customers to be supplied with green gas. ORES is convinced, both in the short and medium term, that biomethane and "new gases" will have a role to play as energy sources for our transition to a low-carbon society.

For thousands of people living in Wallonia, especially in the East of our region, 2021 will be remembered above all for the deadly storms in mid-July, the effects of which were still being felt some months later. The damage was particularly extensive in the Vesdre and Ourthe valleys and the power distribution infrastructures did not escape the force of the storm. Across the various ORES networks, hundreds of electricity transformers, cabinets and boxes were destroyed, not to mention the thousands of meters left damaged or inoperable following the rapid rise of the floodwaters. On the day after the floods, more than 25,000 of our customers found themselves cut off from electricity.

What must be highlighted above all else for ORES was the amazing surge of mobilisation and support that ran through the whole company. Dozens of engineers immediately volunteered to go out and assist their colleagues in the devastated areas, helping them to manage the very complex situations being experienced on the ground. Very quickly, a disaster recovery plan was put in place and emergency repair works scheduled. The sheer size of ORES and our organisation enabled us to marshal the resources required quickly and send out the specialist skills needed in sufficient numbers to be able to respond directly to the emergency and to people's needs. Al this was done in an extraordinary spirit of mutual assistance and self-sacrifice. In a little over three weeks, all of the ORES networks were up and running again and supplies were restored to all customers. The recovery operation generated an enormous and justified sense of pride for everyone at ORES – administrative staff, engineers and managers.

In addition to providing a statement of our finances, this 2021 annual report also sets out the achievements and prospects of ORES in what was a very special year. Throughout the year, our company, like the eight other Belgian grid operators, also carried the title of "SDG Voice", as ambassadors of the United Nations' Sustainable Development Goals. More than ever – and against a rapidly changing background – we are assuming our role in energy transition and corporate social responsibility.

I hope you will enjoy reading this report.

Fernand Grifnée
Chairman of the Executive Board

2. Presentation of the company

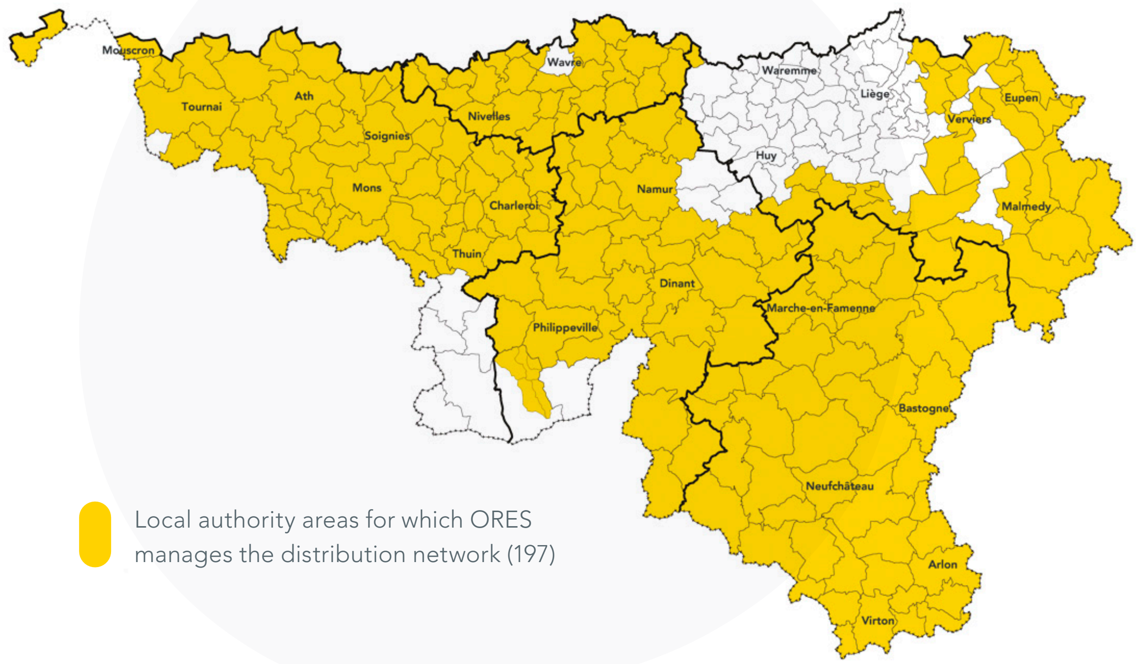
ORES manages and operates the electricity and gas distribution networks, as well as the public lighting infrastructures for more than three in every four local authority areas in Wallonia. Our company is also there to guide customers and the public authorities in their process of energy transition. It does this through the ongoing, ambitious and targeted investment in equipment and systems that will enable us to prepare the future of the energy market for all, including the more vulnerable people among us.

The health crisis that has now been going on for two years has reaffirmed the importance of the position occupied by public utility companies. By ensuring daily access to energy for households, business people, companies and government departments, our mission is to provide an essential service, whose vital character comes to the fore when adverse weather events occur – as was the case with the exceptional storms that hit Wallonia in July 2021 – and with the succession of named storms, Dudley, Eunice and Franklin, in mid-February 2022.

With a workforce of almost 2,400 – engineers, technicians, IT specialists, administrative staff – ORES operates more than 52,000 kilometres of electricity networks and 10,000 kilometres of gas networks. Through this intricate grid of cables and pipes, we supply nearly 2.7 million people with electricity and/or gas in 198 local authority areas in Wallonia, 24 hours a day, 365 days a year. The company also maintains and monitors the modernisation of more than 463,000 public lighting fixtures, some 30% of which have already been fitted with LED technology.

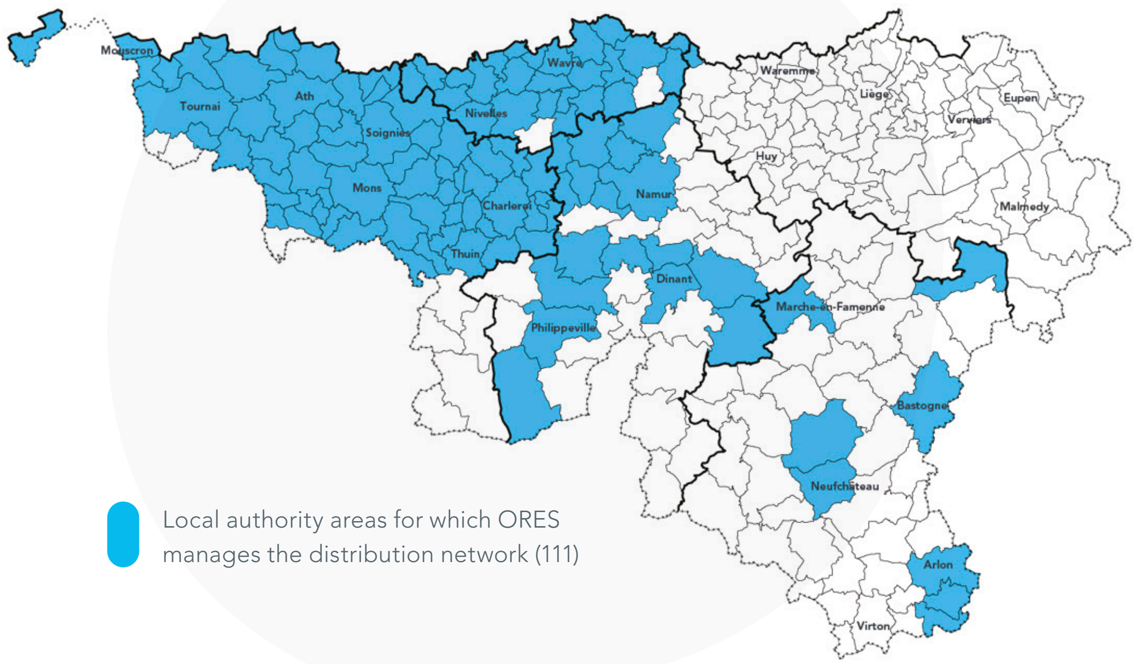
"Our energy and expertise working to achieve energy transition locally and on behalf of everyone"

Areas of activity in 2021
ELECTRICITY



Local authority areas for which ORES manages the distribution network (197)

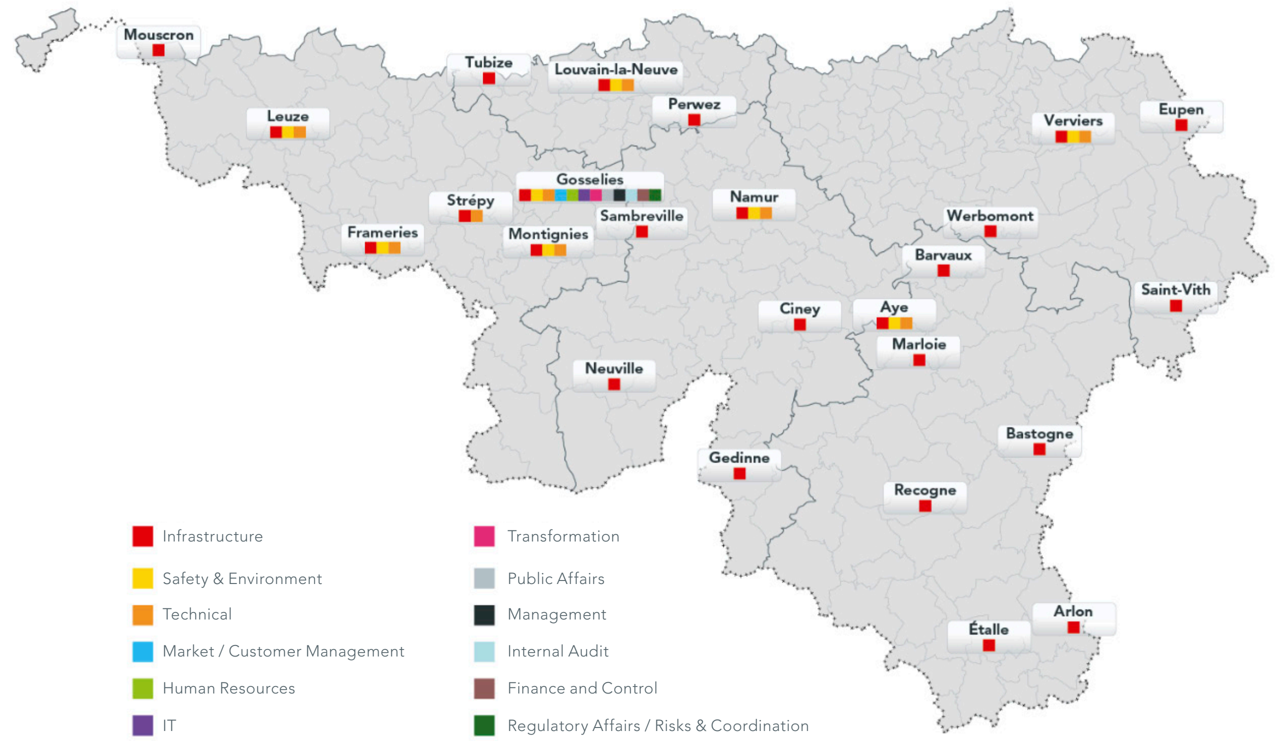
Areas of activity in 2021
GAS



Local authority areas for which ORES manages the distribution network (111)

2 PRESENTATION OF THE COMPANY

The next map shows all of the ORES locations in Wallonia at the end of 2021, identifying the divisions, departments or businesses conducted in each of these locations.



For local authorities, customers and partners of ORES, this organisation ensures that there is efficient and effective local service across the whole of the territory covered by the company.

Over the past five years, ORES has invested more than a billion euros in its distribution networks, with the aim of guaranteeing supplies to customers and modernising its infrastructure so that energy can be transmitted more easily. Our aim is to be a driving force behind this transition, in particular by connecting the production of green energy, while at the same time making sure that all of our different target audiences are included in the current energy system, as well as in the system that will be in place tomorrow.

The company's central head office has been located in Gosselies since 2020.

Making energy easier, making life easier

When it comes to energy, ORES has set itself the task of making life easier both for all customers – residential, business and corporate – and for the authorities. Our goal is to help and guide them, while shielding them from the complexities that are part and parcel of the way the market operates. We offer them a local service that meets their requirements and expectations, in particular by simplifying the procedures associated with what we do: connection works, the installation or relocation of meters, taking meter readings and validating energy consumption and production data, managing relocations, etc.

Practical example: the Connect My Home service, launched in 2020 and rolled out in 2021 across the whole of our territory, is an exclusive first for Belgium. In conjunction with three other cable and pipe operators – Proximus, VOO and SWDE, who will shortly be joined by a number of others – ORES offers customers the facility of connecting their new home to the electricity, water, telecommunications and gas (if applicable) networks through a single administrative application and a single price quote, with no additional charges and with ORES coordinating all the procedures.

This aim can also be seen from our Public Service Obligations (PSO). Our job is to ensure access to energy for everyone, more particularly by participating in Local Energy Committees (LEC) in PCSWs and assisting people who are experiencing difficulties in paying their energy bills by ensuring the social supply of electricity and gas for customers who meet the conditions for receiving a grant. We also help to prevent people from becoming overloaded with debt by providing prepayment solutions.

Towards inclusive energy transition

Today, ORES aims to make all of its technological expertise and networks available for energy transition in order to help society in Wallonia to gradually move away from fossil fuels.

Since it was created, ORES has connected more than 152,000 decentralised renewable electricity production units – wind, photovoltaic, hydraulic or biomass – to its electricity networks. In 2021, more than 2,164 GWh of green electricity was injected into the grid from production units with a power in excess of 10 kVA. For green gas, two new biomethanisation units were connected to our distribution network during the year and the equivalent of nearly 10,000 households now consume gas produced locally from organic waste, generated in particular by farming.

We are also working on developing innovative solutions designed to contribute towards increasing the proportion of renewable energy in our networks and speed up energy transition: the use of artificial intelligence to avoid network congestion, community renewable energy projects or the development of solutions to facilitate the rollout of electric mobility. The network and the way it is run and managed are adjusting to new energy flows and making sure that energy can flow in both directions (i.e. into and out of the system), as well as dealing with the intermittent nature of renewable energy production, yet still guaranteeing supplies to the population at large.

ORES firmly believes that energy transition must be accessible and provide a source of employment and prosperity for the community. We need to be inclusive and positive in the way we progress towards greener energy by involving everyone in Wallonia in the process, including those customers who are in vulnerable or precarious economic circumstances. This aim is expressed in the company's vision and in particular in the 2022 edition of the 2021-2023 Strategic Plan approved by our Board of Directors and the General Meeting in December 2021.

ORES in numbers

(as of 31 December 2021)

Human resources

2,306
full-time equivalent employees

110.6 days
of homeworkin
(on average per year)

20.29
hours of training
(on average per year per employee)

Municipal public lighting

46,132
light fixtures

36,536 kW
of installed capacity

35,246
repairs per year

Electricity

52,058 km
of distribution networks

12,032,198 MWh
distributed across the networks

1,392,186
customers served

36,866
socially protected customers supplied by ORES

33,506
active budget meters

Gas

10,111 km
of distribution networks

15,226,916 MWh
distributed across the networks

522,365
customers served

18,189
socially protected customers supplied by ORES

18,335
active budget meters

Consolidated financial balance sheet

1,267 Million €
consolidated turnover
(ORES group)

234 Million €
total investments (net)

II

ACTIVITY AND SUSTAINABILITY REPORT – STATEMENT ON NON-FINANCIAL INFORMATION

1. 2021 at a glance

JAN. 27 — « SDG Voice »

The Federal Minister responsible for Climate, the Environment, Sustainable Development and the Green Deal, Zakia Khattabi, awards the title of ambassador for the United Nations' Sustainable Development Goals to ORES and to all of the electricity and gas distribution system operators in Belgium. ORES becomes a "SDG Voice" for one year, with the mission of making the public and companies aware of more rational and planet-friendly use of energy.

FEB. 16 — Appointment of ORES Assets as DSO

Following publication in the Moniteur belge (Belgian State Gazette), the procedure for the renewal of the mandates of the electricity and/or gas distribution system operators is officially launched. Towns, cities and local authorities are given one year to initiate their calls for applications and to notify the CWaPE of their proposals.

JUN. 15 — Renewable gas

ORES connects the second biomethane connection station to its distribution network, located in Quévy at the site occupied by Vanheede Biomass Solutions, a company specialising in the recycling of organic waste. The facility now enables more than 2,000 households in the Mons region to be supplied with 100% locally produced and renewable gas.

JUN. 30 — Artificial intelligence

ORES, Luminus and Blacklight Analytics, a spin-off from ULiège, officially introduce "O-One", a new algorithm based on artificial intelligence that makes it easier to predict and manage congestion risks on the network. The implementation of O-One and its rollout across the territory of ORES will make it possible to maximise the injection of electricity generated by wind power into the energy mix in Wallonia.

JUL. 14-16 — Deadly floods

Catastrophic bad weather affects the whole of Wallonia, causing deadly floods, particularly in the East. The distribution infrastructure suffers significant damage. More than 25,000 customers are cut off from power in the local authority areas managed by ORES. There is an extraordinary mobilisation of our technical teams and, with administrative and logistical support from the company's central departments, they restore power quickly to all of the homes affected. Despite the extent of the damage, intensive work means that the whole network is fully operational again within three weeks.

SEPT. 17 — CNG

Inauguration of the CNG facilities at Ham-sur-Heure-Nalinnes. After works on the distribution network, the system to supply compressed natural gas (CNG) exclusively to the vehicles in the council's fleet comes into service. The supply solution is a first for a local authority in Wallonia: Ham-sur-Heure now has its own CNG facilities, which will facilitate the work carried out by the council's departments. It also demonstrates ORES's technical expertise in this particular field.

SEPT. 29 — Tariffs

The ORES Board of Directors endorses the proposal to align distribution tariffs – known as tariff equalisation – across the entire territory where the company manages energy networks. This means that an identical distribution tariff will apply uniformly from 1 January 2024 for each category of customer, across the whole territory and regardless of the local authority.

OCT. 15 — Smart Meters

The milestone of 30,000 smart meters installed across ORES's territory is reached. More than half are fitted for the owners of photovoltaic panels.

NOV. 1 — Atrias

After several years in development, the centralised data platform for the Belgian electricity and gas market is launched by Atrias, the federal subsidiary of the Belgian DSOs. As a result, exchanging information, meter readings and invoicing data, as well as market processes, all benefit in terms of speed and accuracy. The centralised system will also allow for the faster, less expensive rollout of future applications linked to the market to support energy transition.

DEC. 20 — Viva for Life

ORES takes part for the ninth consecutive time in the Viva for Life solidarity campaign, handing over a record cheque for 35,897 euros raised by the in-house efforts of ORES staff in aid of the cause.

2. Corporate social responsibility and sustainable development

ORES's policy on corporate social responsibility and sustainable development is based on the United Nations' Sustainable Development Goals (SDG). Appointed an "SDG Voice" – i.e. an SDG ambassador – with the eight other Belgian electricity and gas distribution system operators, as well as their trade federation, Synergrid, our company continued its activities and carried out a transversal exercise to clarify and structure its CSR policy.

A committed dynamic

Since 2018, ORES has opted to structure and report on its sustainability approach based on the guidelines of the Global Reporting Initiative (GRI), which has become one of the best practices in the field. Our economic, social, environmental and governance initiatives and performance are dealt with in this report in accordance with the GRI methodology.

To define its main sustainable development challenges, ORES conducted an initial consultation exercise with its stakeholders in 2019, based on the 17 sustainability themes in which its societal engagement and efforts can be most beneficial to the community. The exercise led to the establishment of an initial materiality matrix prioritising the sustainable development issues for ORES. Reiterated at the end of 2020 via a questionnaire sent to 35 stakeholders outside the company and at a meeting held in "remote" mode, this consultation confirmed the leading role played by ORES in energy transition in Wallonia. The company is viewed as the backbone around which the energy market is (will be) organised, as well as a tool working on behalf of the policies implemented in the area of sustainability. ORES is considered to be a facilitator of the transition, guaranteeing supplies of electricity and gas to the public, two forms of energy considered as complementary in the context of the progressive move towards the complete decarbonisation of the economy, scheduled at a European level for 2050. The new materiality matrix was established after an internal consultation exercise and is shown below

The matrix reflects a general convergence of sustainable development issues. Practically all of the topics are assessed as being important, with a score above 6 on a scale of 10. Energy transition, network reliability, the cost of energy, fuel poverty and prevention/safety are positioned as the five major challenges for ORES. The exercise also confirmed the directions of the 2021-2023 strategic plan, both in terms of the company's mission and vision, as well as on the five strategic directions agreed.

A redefined CSR policy

The results gathered from the questionnaires in 2020, along with the ongoing exchanges on the topic of corporate social responsibility and sustainability, prompted the company to revisit its policy in this area and the way it is put into operation. Indeed, unified understanding and action were still lacking. ORES put 2021 to good use to engage in internal reflection as part of a transversal working group, which focused on formulating a unified vision enabling this policy to be implemented, monitored and communicated within the company. As this annual report goes to press, the proposal is still awaiting formal approval. It is aligned on the company's strategic plan and incorporates sustainable development targets based around six main lines of action.

Acting as an accelerator of energy transition

Working towards inclusive energy

Reducing the direct carbon footprint of our activities

Being an effective business, in terms of costs and the quality of public service

Being a benchmark employer in Wallonia

Maintaining listening and collaboration between the energy stakeholders

These six lines of action are now and will take the form in the years ahead of practical commitments, which themselves will bring together initiatives carried by the company, its Divisions and departments and by its staff in a spirit of joint action that is shared by all. Many of these commitments and initiatives are dealt with in the various sections of this report.

3. Energy transition and the environment

Wallonia is resolutely committed to the path of energy transition. To achieve a 55% reduction in greenhouse gases by 2030, the Region will need to rely on the efforts of one and all. ORES intends to put its energy and expertise to work on behalf of this regional ambition and for the benefit of all. Faced with the challenge of climate change and mitigating its effects, we are investing in a targeted manner in the modernisation and digitalisation of our networks within an environment marked by the increasing electrification of needs. At the same time, we continue to apply measures to control our own emissions and waste.

The energy sector is in the front line in the fight against greenhouse gas emissions. The distribution system operators in particular need to be capable of controlling more efficiently the growing quantities of renewable energy being injected into the grid, essentially in terms of windfarms and photovoltaic systems. To facilitate energy transition, ORES intends to continue its investment strategy, in particular through the modernisation of its infrastructures, digitalisation or "smartisation" and innovation, so that we can strengthen:

- the integration of renewable electricity production units into the networks
- the emergence of smart networks and the rollout of smart meters as key elements of the transition
- the development of the flexibility market, in particular to meet the needs of balancing the electricity system and the multiplication of exchanges of information, both in real-time and provisionally, with the various stakeholders
- the development of renewable energy communities (REC)
- the greening of the gas distributed via our networks through the guidance and promotion of the connection of biomethane production units
- the preparation for the massive development of electric vehicles (EV), with the need to be able to account separately for the energy used for charging vehicles
- the execution of our public social services, the replacement of budget meters by smart meters, with the ability to incorporate remote pre-payment.

Facilitating the connection and injection of renewable energy

To be able to contribute to the targets set by Wallonia as part of its contribution to the National Energy-Climate Plan, ORES must be capable of accommodating a total capacity in excess of 6 GW of renewable electricity production by 2030. At the end of 2021, all sectors combined, no less than 3,723 GWh of renewable electricity was consumed in Wallonia during the year. From just a few thousand units at the end of the 2000s, more than 185,000 local production units – photovoltaic, wind, hydropower, etc. – were connected to the grid in Wallonia at the end of the 2021 financial year, 152,233 of which we connected to the ORES network. The vast majority of renewable production in Wallonia was generated by windfarms, hydropower stations and photovoltaic solar systems. In 2021, despite the ongoing Covid-19 crisis and its repercussions, ORES connected more than 14,000 new local electricity production facilities. The production of renewable electricity that transited our networks during the year represented consumption of some 2,127 GWh of the total. Despite the growth in the number of installations, this figure was down in comparison with 2020, due main-ly to a reduction in wind production associated with the weather conditions.

In addition to renewable electricity, "new gases" also have an important role to play in the transition phase that will lead to the future decarbonisation of society. The gas distribution network offers undeniable advantages in this regard, because it is capable of distributing other "molecules" that are greener than natural gas – biomethane or synthetic gases, etc. – in numerous urban centres. In this regard, Wallonia has a real biomethane production potential – evaluated in total at 8.7 TWh – which can support the targets for regional renewable energy production and the reduction of the emissions of greenhouse gases. The use of biomethane concerns both heating and mobility – via organic CNG – and industrial processes. If the development of this line delivers on its promises, 25 to 33% of the gas flowing through ORES's pipes – 3 TWh of it – could be green by 2030. In this way, the gas market is becoming increasingly green and local, with initiatives emanating §from private individuals or cooperatives, companies and public organisations. As far as ORES is concerned, it is not only a question of connecting these units, but also of completing any reinforcement work required on the network, carrying out calculations, analyses and advance tests, installing injection cabinets and, finally, checking and guaranteeing the quality of the gas distributed to customers downstream from the injection.

[1] Bron: Renouvelle „Energie Commune" statistieken 2021 - inclusief fotovoltaïsch zelfverbruik

Following on from the connection in 2020 of the first biomethanisation unit to our distribution network in Fleurus, two new facilities were connected in 2021, which now inject biomethane on a continuous basis into our infrastructures in the Province of Hainaut. First, in Quévy, near Mons, an industrial biomethanisation unit belonging to the Vanheede group, which converts organic products into biogas, supplying an electricity cogeneration unit, was connected to the distribution network in May 2021. Beginning in June 2021, the facility began injecting biomethane into the network, enabling some 2,000 households in the region to start consuming gas produced locally.

A little after mid-August, the ORES technical teams commissioned a third biomethane injection point into our network in the borough of Bons Villers at the site of the company BBA - Biométhane du Bois d'Arnelle. Numerous farmers in the region can now deliver their operating residue on-site and their livestock effluent to be reused and converted into energy that is consumed locally. Just as effective as traditional natural gas, biomethane is supplied via our distribution infrastructure to some 3,000 customers in the neighbouring boroughs of Bons Villers, Pont-à-Celles, Fleurus and Courcelles

Supporting green project developers

For the past few years, ORES has been making mapping tools available that can be viewed online on its website by investors wanting to develop their own green production projects. These freely available maps cover not only local electricity production sites, but also potential injections of biomethane – and, in the future, potentially hydrogen. The maps show the capacity of the networks to absorb future injections of green energy, depending on the geographic location of the planned site. By offering transparent information to project developers and enabling them to take an informed decision, ORES is contributing to the organised and efficient development of renewables in Wallonia.

Managing flexibility

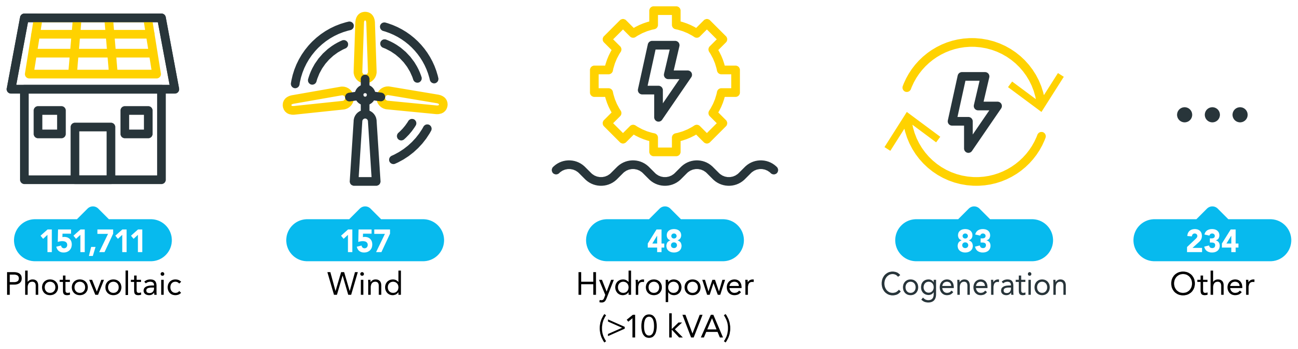
The multiplication of renewable energy injection points, as well as growing electrification, require the processes to be adjusted and new methods to be introduced for managing infrastructure. This infrastructure is increasingly subject to more constraints and the more complex management of the networks than in the past and so must become more active. This applies particularly in the context of developing electric mobility or heat pumps. Peak times for the drawing down and injecting electricity, which are one of the constraints and one of the main sizing elements of the electricity network, will necessarily be affected by this development.

The teams at ORES have been working for some years on mechanisms to provide flexibility. Legal obligations make provision for a technical flexibility mechanism for controlling production facilities when the network is "overused". This makes it possible to accommodate production facilities even in instances where the availability of the network is not 100% guaranteed. The company offers flexible connection contracts to large customers for which the supply of energy is not guaranteed at all times. To reduce these constraints to the minimum, ORES has worked in particular with ULiège and its spin-off, BlackLight Analytics, to develop an artificial intelligence tool called O-One (see section 4. "Reliable and sustainable networks").

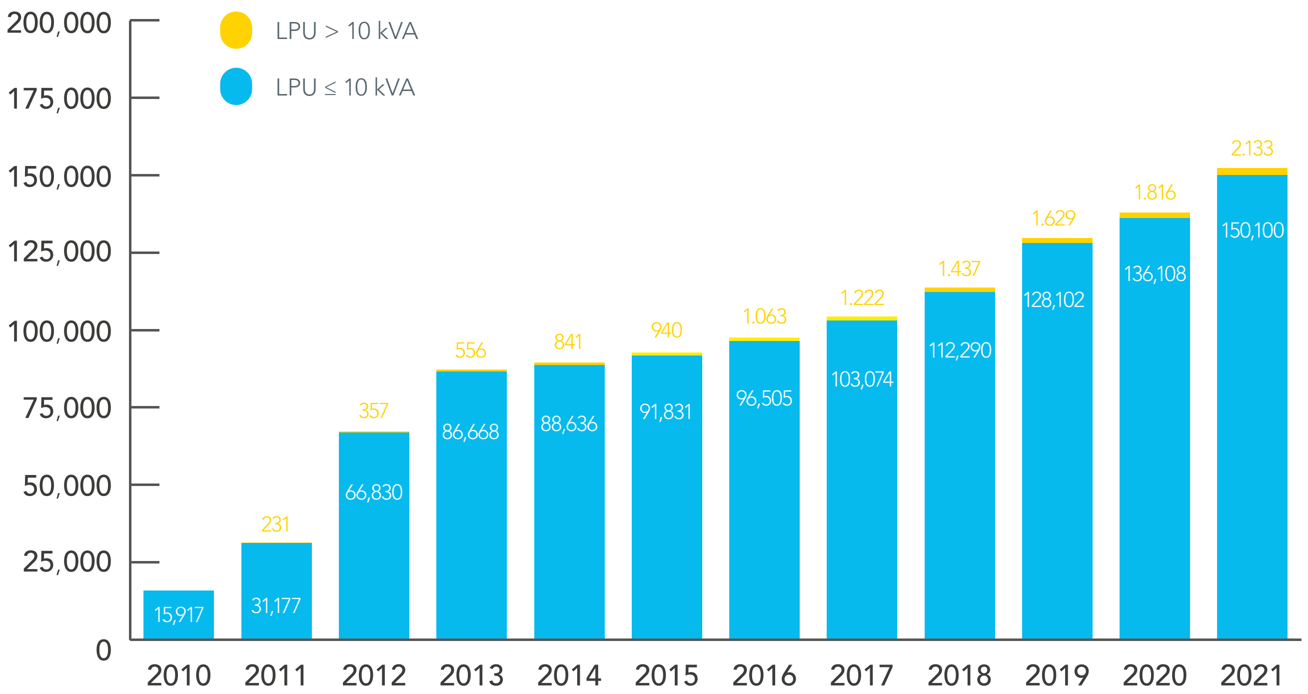
Development of renewable production on the ORES network

The penetration of renewable energy is becoming greater with each passing year. The tables and graphs below illustrate its ongoing development. In 2021, more than 21% of the energy transiting over the ORES network came from renewable sources.

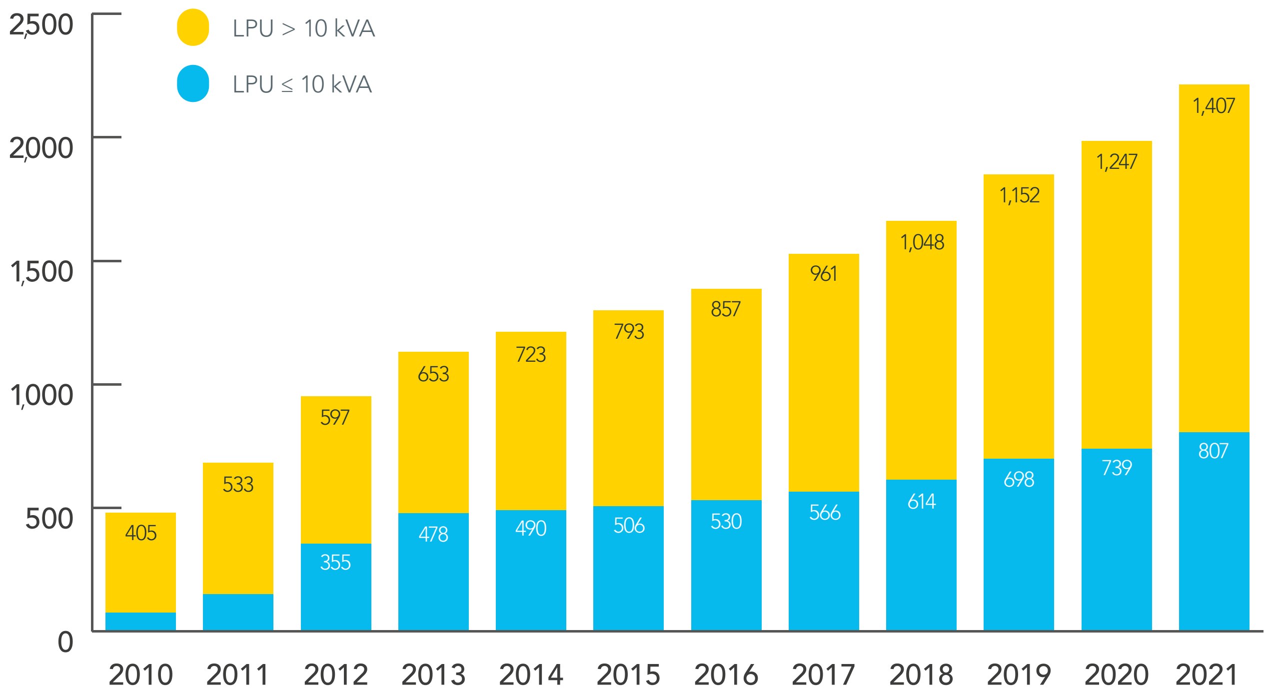
Number of local production units (LPU) connected to the ORES electricity network



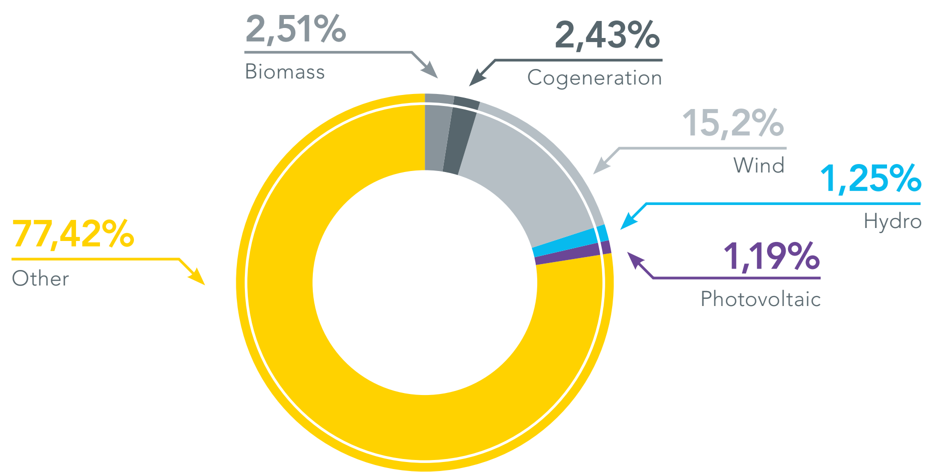
Annual movements in the number of LPU, by type of power



Movements in total installed power (in MVA)



Share and origin of renewables injected into the ORES network in 2021 (UPD >10kVA) (in %)



Collective self-consumption and renewable energy communities

Within the context of transition, the concept of the renewable energy community (REC) is currently gaining a great deal of attention. These communities, the first outlines of which already feature in the Walloon and European legal framework, clearly fit into the societal dynamics of short circuits and businesses have been the first to implement them. Increasingly aware of the need to upgrade their energy efficiency, some companies have got together to cater for their basic energy consumption by using shared local electricity production, either by means of solar panels, cogeneration units or wind production. These RECs – when they are correctly sized – provide an effective and rational solution for managing production and consumption at the local level.

Through its E-Cloud pilot project, ORES has gained real expertise in implementing this type of REC and managing the impact they have, not only in terms of its network, but particularly with regard to the interaction between members of the community itself and the energy market. The REC system put in place in Tournai (ZAE Tournai Ouest) with the assistance of IDETA has not only enabled the participating companies to consume a maximum amount of green energy produced locally, but it has also enabled more of them to make energy savings of between 4 and 8%.

We are currently running a new REC pilot project, this time low-voltage, for residential customers. This initiative is being conducted as part of the Walloon SocCER project with a community of residential customers living in social housing belonging to Logisvesdre in Verviers. Some of these customers are in fuel poverty. This project has, of course, suffered from the effect of the catastrophic floods experienced across the whole region in July 2021. But its development needs to continue, making it possible to provide solid evidence of the uses and potential benefits of collective self-consumption, with the aim of making energy transition accessible to all.

Reduction of network losses

In terms of energy efficiency and especially losses of electricity across the network – a non-negligible factor in the carbon footprint of the electricity network managers – the company is continuing its efforts to reduce losses, both technically and administratively. In 2021, calculated losses amounted to 589,325 MWh, or the equivalent of 4.9% of the energy injected into the grid. This result, a significant improvement compared with the previous period (-65 MWh), provides a practical demonstration of the relevance of the investment and modernisation works that have been carried out on the networks by ORES over many years, as well as the effectiveness of the detailed and targeted checks conducted by the company in terms of the energy consumed.

Support for alternative forms of mobility

Electrification of the vehicles on the road is undeniably making progress today, with manufacturers taking some very significant decisions in this regard. Insofar as the rapid recharging of electric vehicles at home continues to be somewhat problematic, ORES supports public and private operators wanting to install public recharging points or stations. Essentially, it is a matter of informing these operators about the capacity of the grid to accommodate their systems at an affordable cost, guiding them through the procedures for obtaining the relevant permits and, of course, connecting these installations to the distribution network.

But, at the same time, our approach to planning and investing in electricity networks in the medium and long term is also based on the current and future needs of customers, especially with regard to electric vehicles. Basing ourselves on academic studies, we are able to learn about the pace of progress of new technologies and the markets associated with them. As was the case with the development of photovoltaic panels, we study the habits of the various profiles of consumers and then establish a link between these profiles and the way our network is placed, based on the statistics and publications produced by Statbel. This enables us to identify priority areas where investments to refurbish and/or strengthen the existing infrastructure are needed to be able to accommodate recharging capacity.

In doing so, we can plan for the massive development of electric vehicles (EV) – and, to a lesser extent, heat pumps – while also continuing to incorporate green energy production by planning for the switch from a "3x230V" network to a "3x400V + N" network (60% of the network by 2030) or to strengthen it in areas where the number of EV expected is greater than the national average.

On the other hand, natural gas fuel (CNG) provides a transitional solution on the environmental front as part of the decarbonisation of society: vehicles powered by CNG emit less CO_2 than their diesel or petrol equivalents and practically no nitrogen oxide. From a health point of view, they also have a crucial role to play as their fine-particle emissions are 77% lower than conventionally powered vehicles. This means that they help improve air quality. And the future development of bio-CNG – two stations supplying this green, sustainable fuel opened in Wallonia in 2021 – will be even more beneficial for the environment.

In recent years, in agreement and working with the CWaPE, ORES has developed an incentive tariff and connection method for CNG service stations. At the beginning of 2022, Wallonia had 44 public recharging stations, 38 of which were within the territory managed by ORES. More than twenty other projects are also underway.

Mobility powered by natural gas
41 public CNG service stations available in Wallonia – situation in January 2022

3 ENERGY TRANSITION AND THE ENVIRONMENT

LED and dimming deliver increasingly sustainable and responsible public lighting

Energy transition also applies to the modernisation of municipal public lighting equipment (PL). PL is owned by the Towns and Local Authorities that call on ORES to provide the design, construction, management and operation of public lighting. For more than five years now, ORES has been supplying local authorities with the best technologies available on the market, applying careful thought to aspects relating to energy, compliance with standards and legislation (illumination levels), the best environmental compromise – colour temperatures leaning towards warm, pre-programmed and remotely modifiable dimming, remote sensing, double flow, etc. We provide local authority decision-makers with all the information they need to take their decisions and tell them about all of the aspects linked to new technologies, including their indirect impact on the production of CO2 or their effective service life.

For the municipalities that partner ORES, the challenge of rationalising energy consumption – especially electricity – is a real one. Street lighting represents more than 50% of local authorities' electricity bill on average. So, achieving more sustainable management of council resources also includes the upgrading and optimisation of public lighting stocks.

Across the territory where ORES operates, the systematic renewal of lighting fixtures with LED technology, combined with a systematic reduction in the level of illumination between 10 pm and 6 am (dimming) produces an average reduction in consumption of 60 to 65%. Our plan is to modernise all lighting across the board within a 10-year period (2019-2029), giving preference during the first five years to replacing industrially obsolete light sources – i.e. ones that are no longer manufactured, such as low-pressure sodium lamps – and those units that consume the most energy. This strategy enables the continuity of service, as well as providing an opportunity to make major energy savings in the first few years of the programme and to maintain industrial and financial sustainability. Once the operation has been completed for all 463,132 of the lighting points managed today, more than 110,000 MWh in power consumption will be saved each year – which corresponds to an annual reduction in emissions of approximately 29,000 tons of CO2 equivalent. Also, thanks to their longer service life, LED lamps require less maintenance than conventional lighting units.

By the end of January 2022, ORES had replaced over 26% of the lighting fixtures under its responsibility, meaning that 121,733 units are now equipped with dimmable LEDs. For the councils themselves, this means an annual overall saving of 46,750 MWh of electricity and the equivalent of 12,251 tons of CO2 emissions avoided. Following the delays experienced in 2020 due to the early effects of the pandemic, the modernisation programme gradually picked up pace again and everything is being done to ensure the programme is completed by 2029.

The networks and their environmental footprint

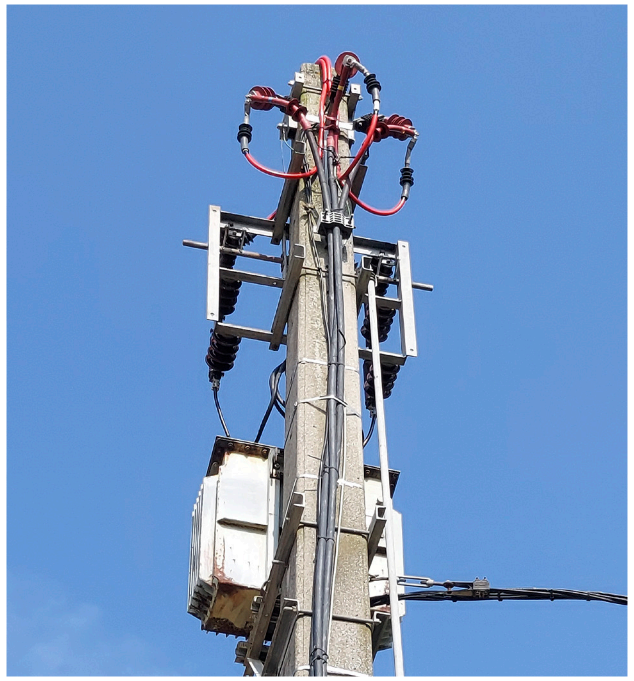
ORES pays particular attention to the effect its activities have on the environment and aims to gradually reduce its carbon footprint through the sustainable management of its infrastructure, moveable assets, transport requirements and waste. This is all based on our policy for sustainable development.

These principles focus in particular on the way the materials we use are implemented. For example, when laying out new installations, we ensure that they have only limited impact on local flora and fauna, as well as on the comfort and convenience of local residents. In 2021, with the aim of improving the quality of supply, ORES buried more than 80 km of old overhead medium-voltage electricity lines. This is because an underground network is less exposed to bad weather, but also it reduces the impact on the fauna, birdlife in particular, and there is less disruption perceived by local residents in terms of the landscape.

The responsible approach taken by ORES with regard to biodiversity also takes other forms. For example, the company conducts regular dialogue with various stakeholders involved in the protection and preservation of the environment in Wallonia. For the past two years, several of the company's departments have been working with the Walloon Public Service responsible for Natural Resources and the Environment. Exchanges with the Directorate for Nature and Forests (DNF) are designed to contribute towards better protection of natural heritage spaces and protected animal species. There has also been cross-referencing work carried out with the various mapping databases, including with the Natagora conservation association, to identify sections of local authority roads that have lighting, but are "sensitive". Then there's the proximity of the Natura 2000 network and sites of great biological interest for flora and fauna, the presence of protected species of firefly, allocation to the sector plan, the proximity of surface water, dwellings, the grouping of light points into coherent sections, etc. All of these elements are now taken into account in great detail in order to inform and guide the partner local authorities of ORES in the best possible way in making their decisions about the modernisation of their lighting, on the one hand, and about issues of mitigating and even removing lighting located close to sensitive sites, on the other.

We are also aware of the problem of birds being killed as the result of electricity lines and equipment. This is one of the main factors for the non-natural mortality of medium-sized and large birds in Europe. Across the areas managed by ORES, close and regular contacts are maintained with Natagora to encourage targeted intervention relating to recorded bird deaths. In 2021, sections of medium-voltage lines, transformers, pole and connectors reported as being problematic by members of Natagora were made secure for the purpose of limiting any negative effect. This was the case in particular at Thieu (see photo) where the equipment on one post that had caused the death of certain migrating birds was replaced by components less likely to pose a risk.

Before



After

3 ENERGY TRANSITION AND THE ENVIRONMENT

Controlling energy consumption

Sustainable development is also part of the management and renewal of the company's moveable assets, in particular via the control of energy consumption. Centralised management systems – automation of the control of technical equipment, such as heating, air-conditioning, lighting, etc. – make it possible to reduce heat loss and better control energy costs in many buildings. More effective techniques used for insulation, ventilation and the use of natural light are implemented in the design of new buildings.

ORES's new central office in Gosselies has been operational since 2020. Still sparsely occupied in 2021 on account of the restrictions associated with the health crisis, the building has nevertheless demonstrated its quality and ability to perform, as intended from the time it was designed. In fact, the building was developed to meet the certification requirements for the VALIDEO and BREEAM sustainable building systems, as part of the company's overall approach to the environment. With a floor area of approximately 15,000 m², the building features very low energy consumption, thanks to geothermal input, the use of photovoltaic panels and its low rate of heat loss. It was designed to set a benchmark in terms of the rational use of energy and water, as well as for its ergonomics. 2021 was put to good use for conducting the final tests and validation processes and, on 2 September, the building was awarded its VALIDEO certification, with the report highlighting its "particularly careful" energy performance and hygrothermal comfort.

The preparatory work for drawing up an initial carbon assessment (scheduled in 2022) has enabled the company to obtain more detailed data about the consumption levels of its buildings. In 2021, there was a very small overall increase in the consumption of electricity (+1%), with the reduction recorded at a large number of sites not completely offsetting the commissioning of the central office. It should also be noted that the current figures do not include the consumption of old buildings that used to house staff in the past and who are now employed at the central office. As for the consumption of gas, the increase was more marked (+12% in total). This was mainly on account of the weather conditions. The year was slightly colder than the previous one, with wide temperature ranges and no heat waves. 2021 also saw more intense rainfall during the summer months. This meant that there was a greater need for heating than in 2020.

At the end of 2021, 11 of the company's buildings were equipped with photovoltaic panels, representing an installed capacity of 663 kWc. These systems produced the equivalent of 514 MWh of electricity during the year, providing an average of 11% of the power needs of the buildings in question. Overall, 92% of the electricity produced was consumed.

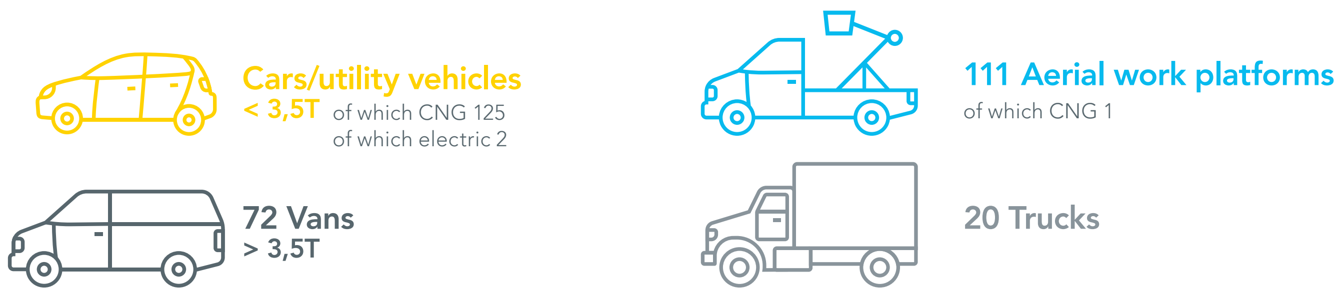
Movements in the energy consumption of the company's buildings

Locations	2019	2020	2021
Arlon	391	495	351
Aye 1	1,024	899	1,085
Aye 2	65	66	29
Aye 3	345	340	340
Ciney	91	14	100
Eupen	48	54	54
Fermette	144	128	99
Frameries	495	581	554
Gosselies (siège)	0	160	651
Gosselies	1,304	1,140	1,254
Lambermont	392	329	328
Leuze	36	80	107
Louvain-la-Neuve	483	664	819
Montignies-sur-Sambre	1,193	1,215	1,214
Mouscron	139	116	174
Namur 1	362	513	605
Namur 2	657	635	485
Namur 3	332	303	303
Namur 4	236	105	201
Perwez	67	39	41
Recogne	0	73	120
Sambreville	120	241	158
Strépy-Bracquegnies 1	494	141	221
Strépy-Bracquegnies 2	739	511	600
Total	**9,157**	**8,842**	**9,893**

3 ENERGY TRANSITION AND THE ENVIRONMENT

Responsible fleet management

At the end of 2021, ORES had a service fleet of 1,108 vehicles, of which a little over 11.5% were fitted with drive systems alternative to conventional fuels and hence less polluting. Our preference goes to CNG (compressed natural gas) when it comes to renewing our fleet, depending on the models and configurations available on the market and the purpose of the vehicles themselves. There were 38 more CNG-powered utility vehicles in 2021.



With directors and senior managers entitled to a leased company vehicle, a financial incentive was also put in place for hybrid or CNG models. In 2021, 68 managers opted for one or other of these solutions.

Car-sharing is also encouraged for staff travelling to work in a private vehicle. In 2021, the figures for car-sharing did not recover compared with 2020 and remained extremely low, due to the continued health restrictions and teleworking, which was either recommended or made compulsory. As a result, working from home increased for employees in positions that enabled them to do so (average calculated for 2021: 110.6 days per member of staff).

Waste: better sorting for better recycling

After a period of successive freezing and unfreezing of activities caused by the beginning of the health crisis in 2020, 2021 saw a gradual resumption of work, punctuated by catching up with the delays that had accumulated at the various worksites. The catastrophic floods in July also brought their fair share of destruction. This is the background against which the two tables below need to be interpreted. The first shows the changes in the statistics for the company's production of waste over five years; the second shows the types of waste and the methods of treatment over the past three years.

The overall volume was up significantly (+8.5%), due mainly to an increase in the number of transformers and the volume of metal disposed of. The system of selective sorting introduced for the past few years for Class II non-hazardous industrial waste, will continue into the future, because apart from exceptional occurrences such as those encountered in 2021, it still remains entirely relevant.

Changes in the volumes of waste produced

Waste by type / Unit (kg)	2017	2018	2019	2020	2021
Non-hazardous industrial waste (Class 2; LLW)	523,401	493,460	516,971	449,106	484,993
Mixed paper/cardboard	143,945	126,380	117,559	116,635	106,302
PMC	5,394	5,459	6,069	4,902	6,583
Miscellaneous oils	10,924	17,854	10,780	16,956	15,402
Transformers	266,328	372,672	461,592	400,701	500,494
SF6 cells	10,502	5,398	6,362	2,386	12,608
Wood	22,280	33,480	33,300	41,640	45,280
Discarded equipment	1,854	6,353	11,797	4,488	9,147
Contaminated soil	16,608	-	5,700	21,060	-
Asbestos	18,480	29,110	18,370	24,350	14,482
Copper, bronze, brass	4,934	7,183	8,579	5,723	6,020
Miscellaneous metals	375,747	431,968	441,885	431,494	450,343
Small hazardous waste	4,795	2,059	2,212	2,118	2,170
Total	**1,405,192**	**1,531,376**	**1,641,175**	**1,521,558**	**1,653,823**

Treatment methods

	2019		2020		2021	
Unit (kg)	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste	Hazardous waste	Non-hazardous waste
Energy recovery		6,832		13,936		9,540
Organic recycling						
Inorganic recycling		10,091,48	1,750	457,90		1,470
Exchange for recovery	472,952	1,118,656	411,447	1,037,401	504,106	1,097,763
Use as backfill or foundations	4,420		1,240		2,200	
Landfill (CET)	13,580		780		1,180	
Physico-chemical treatment before disposal	7,500		30,190		10,660	
Grouped before disposal	412		136		1,298	
Stored off-site before disposal	6,732		23,950		25,606	

Carbon footprint

In its 2022 update, the ORES Strategic Plan 2021-2023 was brought even more strongly into line with Wallonia's target for reducing greenhouse gases – i.e. -55% by 2030. ORES is committed to making a practical contribution towards this target, including by reducing its carbon footprint.

However, due to the continued pandemic in 2021 and mandatory working from home during most of the year for 70% of staff, this period cannot be considered as being totally representative. The company has not yet set itself any precise targets in terms of reducing its carbon footprint. In the light of ongoing changes to the regulations being implemented on a European level (guidelines on sustainable corporate governance and the publication of information about sustainability), ORES elected in 2021 to redefine the framework and scope for its carbon footprint. This is in the process of being put into effect as this report is being written.

Whatever happens, we continue to make practical contributions every day to the fight against climate change, whether by reducing the volume of paper we use, continuing to reduce electricity losses from the grid, managing our electricity consumption effectively, modernising municipal public lighting or awarding contracts that incorporate clauses about responsibility and sustainability. This aim is now firmly embedded in the company and its industrial intentions.


CO2logic

LE TRAITEMENT DE VOS ENVOIS ADRESSÉS NEUTRE EN CO_2

CO2logic certifie que bpost est conscient de l'impact de ses émissions de CO_2 et, grâce à son soutien au projet Gold Standard 'Eritrea Water', a compensé les émissions relatives à:

OPERATEUR DE RESEAUX D'ENERGIES

Cela correspond à la compensation du traitement de 2.321.338 envois adressés au cours de l'exercice fiscal 2021. Atteindre la neutralité CO_2 tout en obtenant ce label 'CO_2-NEUTRAL', conforme au PAS2060, le standard internationalement reconnu de neutralité CO_2, c'est la garantie d'une action climatique crédible et vérifiée.

Antoine Geerinckx
Founder

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Belgique

Individual Transaction Certificate N° 21/183
Certification cycle start date: 04/05/2021
Certification end date: 03/05/2022

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CO_2-Neutrality & the "CO_2-NEUTRAL" label are reviewed and validated by Vinçotte, an independent international certifying authority. Through in-depth audits, Vinçotte controls the implementation of the CO2logic approach: calculate, reduce & offset CO_2 emissions. All CO_2-NEUTRAL companies, organisations, entities, services or products must undergo the same approach in order to achieve any "CO_2 NEUTRAL" status. This approach is in line with the PAS2060, the international standard for CO_2 neutrality by the British Standard Institute

In addition to the digitalisation of certain exchanges with customers and the significant reduction in the volumes of paper used by the company, ORES has opted for a responsible contract formula – with the offsetting of emissions – for sending its mail by bpost.

4. Reliable and sustainable networks

The reliability of the distribution networks is one of the major sustainability challenges for the future, both for ORES, but also for the whole of society. As demonstrated by the floods in July 2021, it is both the robustness of the networks themselves, plus their resilience and that of the teams who manage them, who are the guarantors – at least in part – of the vital minimum needed for public requirements in these extreme situations, as in everyday life.

The primary responsibility facing ORES in its role as DSO is to provide a long-term guarantee of the reliability of the energy distribution networks. To be able to make an active contribution towards the dynamic of energy transition, while also incorporating renewable production, ORES intends and must continue to invest in its networks effectively and in an economically sound way. Faced with climate change and its increasingly obvious effects, it is a question more than ever of guaranteeing the safety of supply to benefit a population that relies legitimately on a continuous and high-quality supply of energy. ORES's operating and breakdown services are organised and sized in such a way that they are able to take action effectively and urgently on the ground, 24 hours a day, 7 days a week.

In 2021, in addition to continuing with the specific measures associated with the Covid-related restrictions and a number of equipment supply problems associated with the effects of the pandemic, operating the distribution networks saw the continuation and finalisation of the investment works mentioned in the pages that follow. But what will stay in everyone's memory will, of course, be the disastrous storm that occurred between 14 and 16 July, which cost numerous lives and caused widespread destruction, including to our networks.

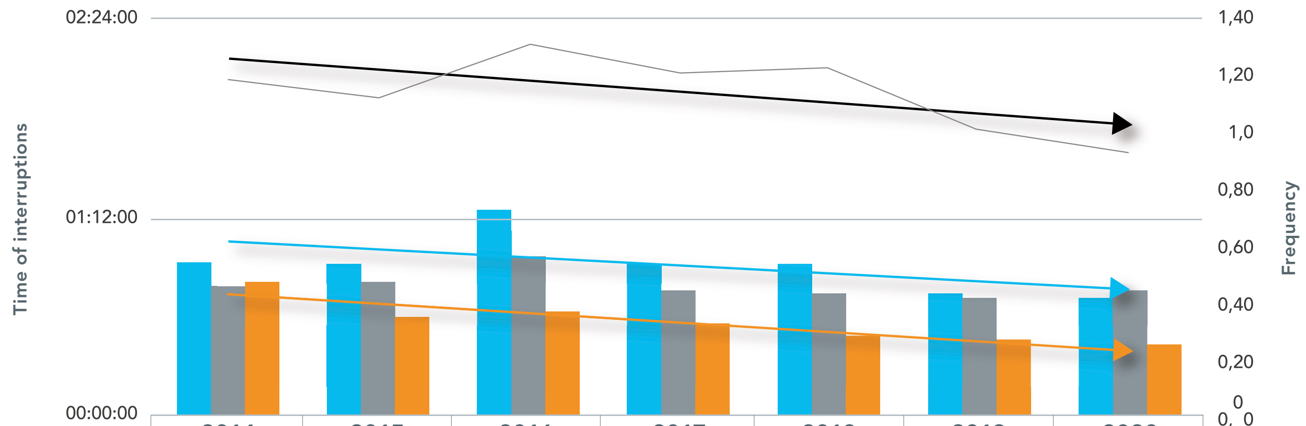
Electricity

Quality resulting from years of investment

Our networks benefit from the investment strategy applied by our company for more than 15 years. Throughout these years, significant amounts have been dedicated to the maintenance, modernisation and development of the low and medium-voltage electricity networks: burying power lines underground, maintaining and updating infrastructures, remote medium-voltage meter reading and the automation and control of distribution cabinets, enabling us today to provide a remarkable quality of service to users of the network, as well as to have solid foundations for developing the networks of tomorrow.

The table below illustrates the quality of our electricity networks and the way it has evolved in recent years.

ORES Assets
Length of interruptions



	2014	2015	2016	2017	2018	2019	2020
Total unavailability	00:56:00	00:55:00	01:15:00	00:55:00	00:55:00	00:44:00	00:43:00
Time to restore power	00:47:27	00:49:06	00:57:15	00:45:27	00:44:43	00:43:35	00:46:09
Unavailability	00:49:00	00:36:00	00:38:00	00:34:00	00:29:00	00:28:00	00:26:00
Frequency of interruptions	1.18	1.12	1.31	1.21	1.23	1.01	0.93

The quality statistics for 2021 continued in line with this trend, even if, in terms of unscheduled works, the figures were affected by the weather events dotted through the year. Our teams were called out 11,537 times in 2021, a figure that was up by 10% compared with the previous year. The duration of work and times to restore supplies on the **medium-voltage network** are shown below.

Medium voltage	Average in time **2020**	Average in time **2021**
Scheduled unavailability – works	00:22:38	00:25:32
Restoring supplies	03:10:22	02:32:30
Unscheduled unavailability - works	00:43:00	01:01:00
Restoring supplies	00:46:09	01:11:51

On the **low-voltage network**, which supplies customers directly from distribution cabinets, breakdowns were due to technical issues and defects, as well as bad weather and "external incidents" – usually cables torn out accidentally by companies carrying out roadworks in the public domain close to network infrastructure. The indicators recording the time to arrive on-site and the duration of the works to remedy breakdowns on the low-voltage networks were notably higher compared with the previous year: +6 minutes on average for the former and +55 minutes for the latter. The succession of events that occurred during the year – cold snap and snow at the beginning of February, tornadoes in Beauraing and Houffalize in June, exceptional floods in July – was related to this worsening of the results. The number of call-outs for which our teams took more than two hours to arrive on-site was also up considerably (+58%). So it comes as no surprise to report that the number of outages during which the power was off for more than 6 hours also increased – 140 compared with 108 in 2020.

Low voltage	Average in time **2020**	Average in time **2021**
Average time to arrive on-site	00:52:35	00:58:03
Average work time	01:10:04	02:05:41
Time of unscheduled unavailability	02:02:39	03:03:44

Exceptional support and solidarity

Between 14 and 16 July 2021, torrential rain fell across practically the whole of Wallonia. The resulting floods caused considerable damage to the networks managed by ORES and a total of approximately 25,000 customers found themselves without electricity across our territory. In the provinces of Hainaut, Namur, Walloon Brabant and part of the province of Liège, customers soon had their power restored in the days following the disaster, thanks to the extraordinary response of the company's technical and administrative teams.

However, in the area around Verviers and in the valleys of the Vesdre, Wayai, Hoëgne and Ourthe, repair operations were far more complicated on account of the extent of the damage and the need to operate on a door-to-door basis. In the boroughs served by ORES across this sector – Eupen, Baelen, Limbourg, Verviers, Spa, Theux, Ferrières and Hamoir – local teams were assisted by engineers and administrative staff who provided reinforcements from all our other regions. This spirit of solidarity and the amazing work carried out tirelessly by our teams made it possible to restore power to more than 15,000 customers in the regions within a fortnight.

During the last weekend of July and the first few days of August, the teams prided themselves on continuing tirelessly to carry out the repair operations needed on the network infrastructures and at customer premises still without power in Verviers. But in the end, the final meters were all verified or replaced, where necessary. On 3 August, the whole of the network was operational again, albeit under downgraded conditions, but at least it was possible to restore supplies to the whole population. A toll-free number was also set up for customers who could not be contacted in the field, in order to resolve situations that were still problematic.

The work carried out and the overall results achieved by the teams in just three weeks were quite simply phenomenal. They were congratulated unanimously by the public and local authorities. In these extreme situations, the sheer size of ORES, its ability to mobilise a response and the skills of its teams are all huge advantages – all working to the benefit of our customers and the local authority areas we serve.

Developments on the electricity network

ORES's electricity network grew by nearly 300 km in 2021. As part of our investment strategy, our teams installed 132 new distribution cabinets, made nearly 9,200 new low-voltage connections to customers and fitted more than 13,500 new meters. They also maintained 120 km of overhead electricity wires and buried 64 km of lines.

The modernisation of our electricity infrastructures and their adaptation to the increasingly intensive development of renewable also includes digitalisation and the "smartisation" of the network. These developments relate in particular to the high-voltage/medium-voltage transformer units, which provide the link between the network of the distribution system operator (DSO) Elia and the electricity grid, as well as the main distribution cabinets. At the end of 2021, ORES had 126 interconnection points with the transmission network and 22,897 distribution cabinets, 11.18% of which were "smartised" – in other words they can be operated by remote control. The contribution made by new digital or optical technologies to this work makes it possible to secure the way they operate and ensure they are reliable. This is to the ultimate benefit of customers, as well as energy transition.

Innovation working on behalf of flexibility and transition

At Lierneux, a windfarm with 6 turbines with a total power injection capacity of 19.2 MW is connected to the distribution network. These wind turbines are installed at a significant distance from residential dwellings and the local distribution network, which was initially intended to distribute electricity to a fairly sparse population and is not able to accommodate the entire production from this windfarm (19.2 MW of total power). In a case such as this, where supply and demand are not closely related, the risks of congestion are very real. The windfarm's capacity is therefore limited to a safety threshold, restricting the injection of power to 11.7 MW.

To accommodate this new green, local production, ORES makes investments in its networks each year. In parallel, we also work with various academic bodies to develop new technologies aimed at speeding up integration of renewable energy, at low cost. With a spin-off from ULiège, Blacklight Analytics, and other partners, we worked on developing an algorithm capable of forecasting congestion on the network more accurately. Its name: "O-One", stands for "ORES – Operator Network Expert". Trialled on the windfarm in Lierneux for nearly two years, this active network tool has been operational since March 2021, making it easier to predict risks in order to exceed the injection limits imposed on windfarms. As a result, the Lierneux windfarm was able to increase its average production by 5% to 6% during the test periods, with a peak of up to 10% additional production at the end of the pilot project.

This technology is already in use at another windfarm at Floreffe and in Wallonia, with several dozen other green production units – wind, but also photovoltaic or cogeneration – adopting it gradually over the months. As far as ORES is concerned, the "O-One" solution, combined with investments in the network infrastructures planned for the next few years, should make it possible to multiply the capacity for accommodating renewable power by a factor of more than three between now and 2028 (from 1,906 to 6,282 MVA).

Rollout of fibre optics: a pilot project and an agreement open to all telecoms operators

In January 2022, Proximus and ORES signed an agreement organising the use of ORES's electricity poles for the rollout of fibre optics in Wallonia. This agreement follows on from a pilot project carried out in Namur during 2021, as part of which, 177 homes were connected to fibre as a result of the installation of two kilometres of ducts fitted to 50 ORES poles. To mark the occasion, the CEOs of the two companies, Guillaume Boutin and Fernand Grifnée, and the Mayor of Namur, Maxime Prévot, reiterated the importance of fibre optics for the development of Wallonia. The results of this pilot project were particularly encouraging and the programme has been extended to other areas. The rollout of fibre on electricity poles – rather than by underground cables – makes it possible to speed up the connection of users, while at the same time significantly reducing the impact associated with the work for local residents.

The new agreement therefore represents an important milestone in the accelerated rollout of fibre in Wallonia and, as a result, it should exceed the 70% target for cover set by Proximus after 2028. The agreement is open to all telecoms carriers operating in Belgium, on the same terms and at the same price.

Gas

Renovations and conversion

Investment works were also undertaken on the gas networks in 2021, mainly as part of the programme to refurbish the infrastructures. Nearly 80 km of new pipes were laid in the context of small local extensions. The remediation of old pipes continued at a slower pace, due to the circumstances relating to Covid; at the end of 2021, ORES's networks still had 56 kilometres of pipes in nodular cast iron or fibre cement, or just 0.5% of the total length of the network. In addition to this decommissioning and the renovation of steel pipe replaced by polyethylene (18 km), the main works were to connect new customers to the network, with more than 7,400 new connections and nearly 10,900 additional meters, as well as the installation of approximately fifty new cabinets on the distribution network and at customers consuming large volumes of gas. Almost 3,000 connections were upgraded during the year.

Dinant: major utility works

In March and April 2021, major works were carried out in the centre of Dinant as part of the modernisation plan to upgrade the city's distribution networks. In addition to replacing worn-out electrical systems, the works also included the replacement of a low-pressure steel natural gas pipe with a polyethylene pipe and switching this portion of the network to medium pressure (4 bar). The aim was to meet the new and future needs of the population: establishing connections for green energy produced locally, new heating solutions, alternative forms of mobility, etc. These works, which represented an overall investment of nearly 350,000 €, were carried out in close collaboration with the municipal authorities and the police services so that the best possible information could be provided to local residents, along with an alternative traffic plan to ensure optimum safety.

Constant focus on safety

As part of a preventative approach, the natural gas distribution networks are checked systematically for leaks, with inspections carried out along some 20% of their total length each year; 2,052 km of low-pressure and medium-pressure pipes were inspected 2021, which was practically the equivalent of the previous year. The number of leaks detected and repaired as a result of this systematic search was again down by 15%, which reflects the improvement in the quality of the networks in the wake of the upgrade and replacement policy conducted in recent years.

With regard to the incidents and leaks caused to the network by external causes, it should be pointed out first of all that with the Impétrants Decree coming into effect and the launch of the Powalco platform over the past four years, the result has been better communication and more synergies between the various managers of cables and pipes for carrying out their work. This consultation is designed to limit the number of incidents caused by pipes becoming snagged or perforated. Repairs to leaks resulting from these events were also down by 18%. It should be noted, however, that the economic slowdown linked to the pandemic and the temporary halting of numerous worksites no doubt have something to do with this. On the other hand, repairs to leaks on connections caused in particular by material defects, were up by 12% in 2021, but their number remains lower than in 2019.

Pipes inspected (in km)	2020	2021
Medium pressure	779	833
Low pressure	1,307	1,219
Total	2,086	2,052

Leaks repaired on the gas network	2020	2021
Work carried out due to third-party calls	1,002	1,156
Work carried out following a systematic inspection on the network	223	189

Urgent response times on the gas network (after damage) (in hours)	2020	2021
Average time to arrive on-site (call -arrival)	00:56:59	00:45:50
Average time for the works (arrival -end)	01:03:28	01:12:46
Time to arrive and complete the works (call -end)	02:00:27	01:58:36

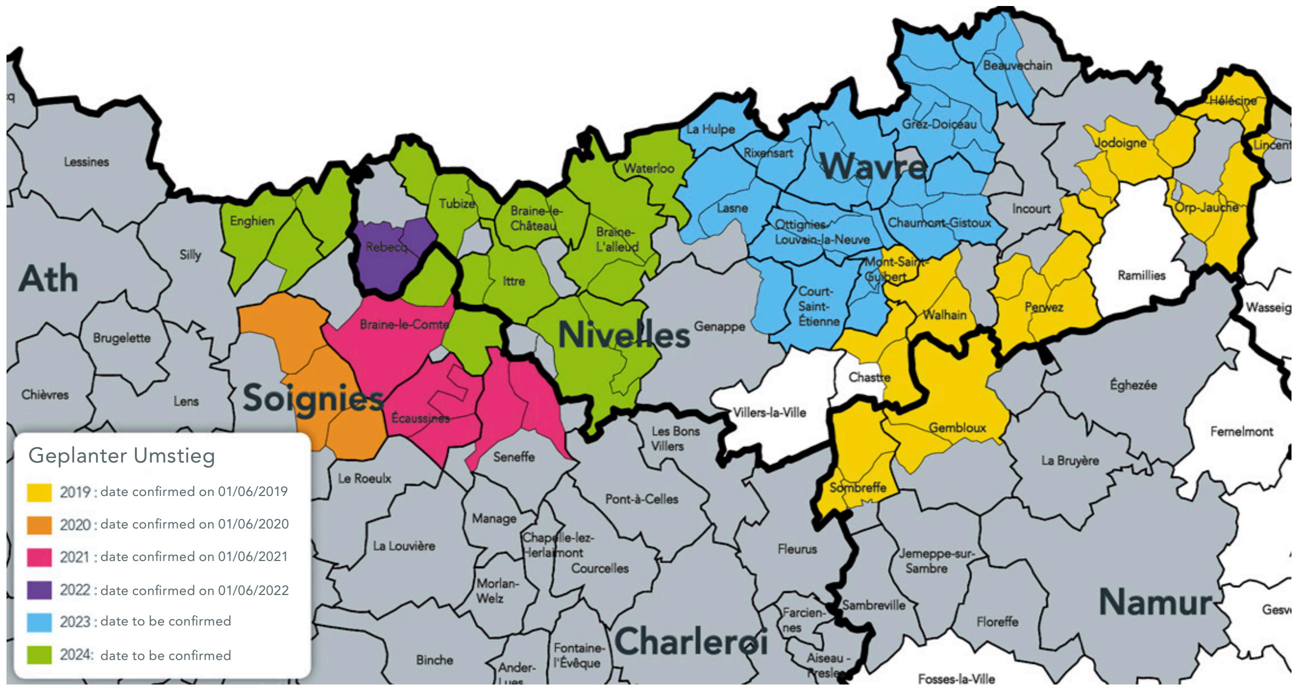
4 RELIABLE AND SUSTAINABLE NETWORKS

Conversion from lean gas to rich gas

In 2021, the gradual conversion works on networks supplied with lean gas to rich gas continued in line with the terms announced at the beginning of the programme. Across the territory covered by ORES, some thirty local authority areas were supplied originally with "lean" gas – which has a low calorific value – imported from the Netherlands. Following the announcement of the forthcoming halt to the export of this gas by our Dutch neighbours, the networks of the local authority areas in question have been gradually switching to rich gas. For ORES, this operation has been phased between 2019 and 2024.

After Chastre, Gembloux, Hélécine, Incourt, Jodoigne, Lincent, Mont-Saint-Guibert, Orp-Jauche, Perwez, Sombreffe and Walhain, which converted in 2019, then Soignies in 2020, it was the turn of Arquennes, Écaussinnes-d'Enghien, Écaussinnes-Lalaing, Marche-lez-Écaussinnes and Feluy to switch to rich gas in 2021. Our teams are handling the conversion of the network, along with organising the replacement (if needed) of the pressure regulators located close to customer meters. The teams are also making customers aware of the possible need to have some domestic appliances adjusted so that they can use rich gas.

The next stage of the operation will be for Rebecq in 2022, followed by the boroughs coloured in blue and green on the map below, where the networks will be converted in 2023 and 2024. A structured communication plan is also scheduled to be put in place to enable the customers concerned to make provision well in advance of this conversion.



Management of municipal public lighting

Maintaining municipal public lighting is a public service obligation (PSO) that falls to the distribution system operators. In this context, ORES is responsible for maintaining, repairing and upgrading the light fixtures on borough roads and in parks and public places, as well as for lighting systems that highlight some of the municipal buildings (also see section 3 "Energy transition and the environment").

At the end of 2021, there was a very slight increase in the number of lighting fixtures managed by the company (+0.5%), although the power installed and overall consumption were down by 6% and 5.2% compared with 2020. This situation is linked mainly to the performance of the new LED fixtures equipped with dimming systems. Thanks to dimming, the overall savings achieved across the whole area of the municipalities managed by ORES amounted to more than 23,000 kWh per day in 2021.

Changes in the composition of the lighting fixtures managed by ORES

Work by type of lamp	2020	2021
NaLP – low-pressure sodium	83.909	64.765
NaHP – high-pressure sodium	232.746	211.846
MHHP – metal halide/iodide	68.190	66.301
LED – electroluminescent diodes	74.812	119.457
Other	867	763
Total	**460.524**	**463.132**

Municipal public lighting is designed to ensure the safety of local residents and improve visibility for pedestrians and motorists. For the past few years, ORES has made an application available to the public and local authorities, enabling them to report any defective light fixtures in just a few clicks. Use of this functionality by customers via www.ores.be continues to be sustained; it was further facilitated in 2021 by the fact that the notification form now makes it possible to report defective fixtures in a single operation. In 2021, direct or indirect reports led to the repair of 35,246 lighting points across the network. 37,634 other fixtures were also the subject of preventative maintenance.

	2020	2021
Number of reports of defective lighting fixtures via the ORES website (general public) or the application intended for local authorities	44,395	40,758

Finally, public lighting enables local councils to showcase their architectural heritage. Illumination projects are also put forward in 2021 by the company's design office. This was the case in Sambreville, with the project for the re-illuminating of Saint-Victor church, inaugurated at the end of October and illustrated opposite.

Making life easier for local authorities with the Light Service

For the past two years, ORES has offered towns and local authority areas a new service aimed at assisting them in the maintenance and repair of their public lighting stock not covered by the public service obligation. In practical terms, the company handles all of this work, subject the payment of a fixed amount, reviewed annually. As of the beginning of 2022, 91% of the local authorities whose public lighting is managed by ORES had already joined the Light Service. Feedback from beneficiaries is more than favourable: more efficient service, simplification of administrative processes, improved predictability of costs and shortening of the waiting time for work to be carried out, compared with the previous system. All of which is to the ultimate benefit of the public and their quality of life.

5. The customer at the heart of our business

ORES aims to make life easier for its customers. During the course of a year marked by the continued pandemic, the steady rise in energy prices and the dreadful consequences of the floods for those affected, our company strengthened its service to customers and helped support the authorities in putting the assistance measures decreed by them into operation.

In carrying out its various trades, ORES systematically takes account of changes to customer needs so that it can offer them a service geared to their expectations. In 2021, we put several initiatives into effect along these lines, in particular through our website, which has become the preferred platform for customers to access the whole range of services and information relating to our activities. In our social public service assignments and obligations, the measures implemented following the pandemic were supplemented by the support schemes passed by the Walloon Government, with particular emphasis on the response given to the difficulties encountered by vulnerable populations.

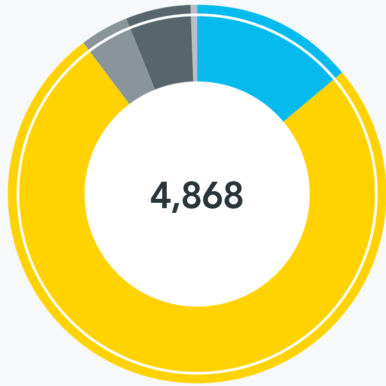
Using the customer experience as a compass

In 2021, more satisfaction surveys were conducted with our customers to measure the quality of our services. On average across the year, the overall satisfaction score of the customers contacted following interactions or works conducted at their home was 8.14 out of 10. As in 2020, this indicator was part of a shared target to be reached by the whole company as part of an annual collective labour agreement (CLA), with a target score of 8 out of 10.

Another target linked to the same CLA was the rate of calling back customers who expressed dissatisfaction in these surveys. This process is designed not only to listen to the reasons for their dissatisfaction and to make amendments to the process followed, but also to target recurrent points of complexity and, where necessary, correct the processes involved. The target was set at 95% of dissatisfied customers called back. This figure was exceeded, with an average score of 95.44% across the year. In addition to the lessons learned internally with a view to improving the service, feedback enabled the subcontractors working for ORES – and especially the contractors in charge of excavation and earthworks – because a majority of the complaints related to works on the pavements in front of customers' homes when installing new connections or making modifications to existing ones.

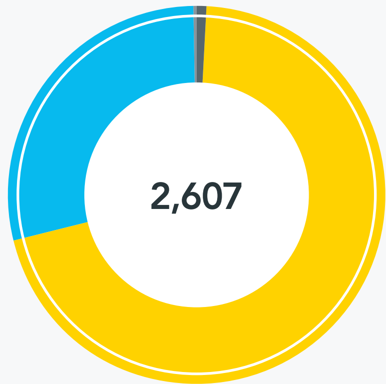
To enable them to pass on their grievances – whether some sort of dissatisfaction, an application for compensation or a request for mediation – customers are now able to lodge their complaints using the online forms on the website. Digital channels – web and social networks – are the ones preferred today by customers for their interactions with ORES. In 2021, the number of complaints received was up by 34.5% compared with the previous year. This matched the resumption of activities after the slowdown of 2020 and the delays that built up during that year. The number of complaints received digitally also increased significantly (+47%).

Number of complaints received in 2021 – by contact channel



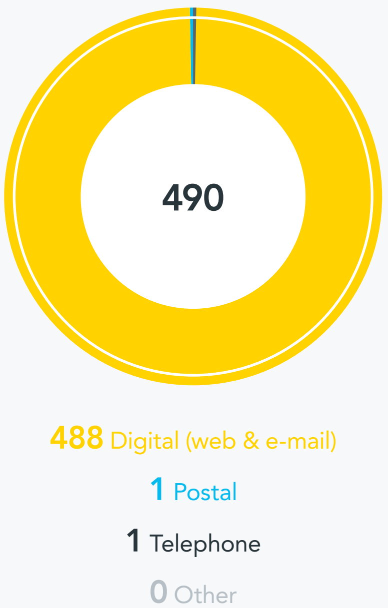
3,688 Digital (web & e-mail)
685 Telephone
264 Satisfaction survey
205 Postal
26 Other

Applications for compensation



1,837 Digital (web & e-mail)
742 Postal
23 Telephone
5 Other

Requests for mediation



Types of complaint/request	Received	Accepted
Dissatisfaction	4,868	2,668
Compensation	2,607	670
Mediation	490	84

The teams at ORES responsible for following up on complaints set themselves a maximum deadline of 30 calendar days to send a meaningful quality response to a dissatisfied customer. After worsening in 2020, the average time to process and respond to a complaint returned practically to normal in 2021 (33 days). Other response times remained constant and demonstrate the willingness of ORES to deal with all enquiries, while respecting the expectations of the customer.

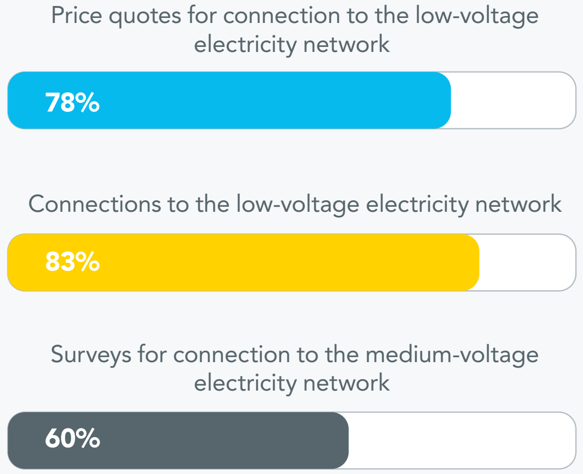
Type of complaint	Average processing time (in days)
Dissatisfaction	20
Compensation	33
Mediation	21

Respecting deadlines

The quality of the works carried out on customer premises by technicians from ORES and subcontractors is also monitored closely. Apart from reading meters at people's homes once every two years, the "physical" interaction with the various departments at ORES generally occurs at important moments of customers' lives, such as when they are building their own home and the energy networks need to be connected (see below).

ORES aims to take every enquiry into account and carry out each job within the deadline set by the regulator, with the notable exception of cases where the customer's request involves works to reinforce the electricity grid or the gas network, which is much more rare. Lead times became longer in 2021, due to the delays incurred the year before and the availability of staff against the background of the pandemic.

Respecting deadlines in 2021

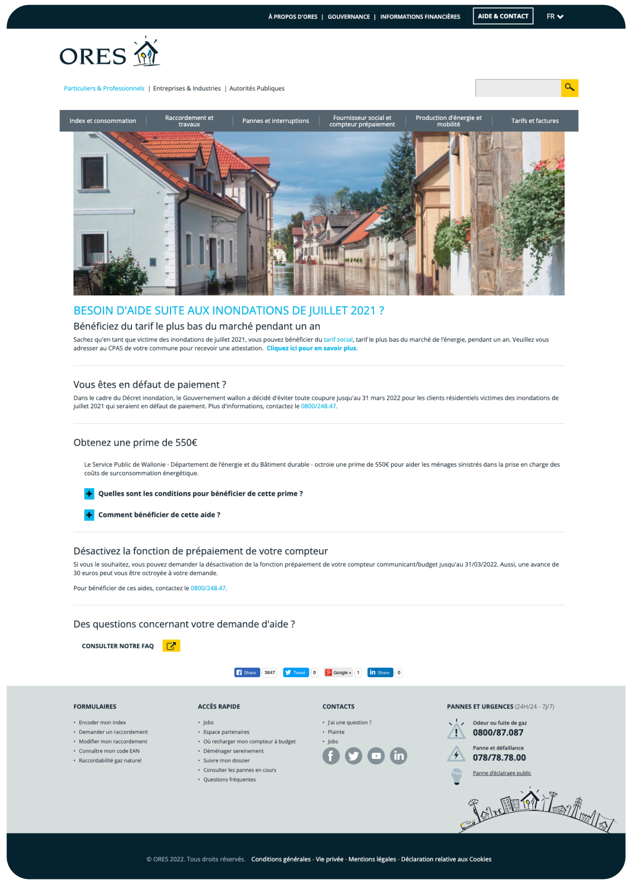


Improving the digital offering

Digital advances are transforming the world and expectations of customers. Availability, speed of service, accessibility and speed of response are becoming increasingly important in the way users view their interactions with service operators. A significant majority of customers now prefer to us digital channels for their contacts with ORES. Also, the pandemic and health restrictions have increased the need to work using these "remote" methods. In 2021, 69% of customer contacts took place by this means. The website recorded more than 2.1 million visits over the year, an increase of 18.5% compared with 2020. The proportion of mobile contacts also increased for "online transactions", 37% of which are now carried out via smartphone or tablet. The main reason for interaction remains meter readings, which represent 74% of contacts made on www.ores.be.

During 2021, the "customer journey" on the website was optimised further to include new explanatory videos designed to make procedures easier for online users. This is the case for requests for connection and associated works, as well as for complaints (see figures above).

Disaster relief and energy grants



The ORES website is also the platform through which the public can access the assistance and grants made available by the Walloon Government in the context of the floods that occurred in July 2021 and following the sharp price increases on the energy market in the second half of the year. The teams handling the digital side of the company's communication quickly adapted the pages on the site to inform and guide customers in as user-friendly a way as possible towards the information, procedures and application forms relevant to their respective cases.

A very busy call centre

Alongside the digital channel, service quality also includes the consideration shown to users who prefer other, more traditional, means of communication. Working through our subsidiary, Comnexio, which specialises in customer contact activities, we make sure that we preserve these solutions for customers, in particular through our three specific call numbers. Located in Gosselies and Eupen, Comnexio's aim is to answer questions from customers and provide all of the information needed in relation to the services provided by ORES. This information is delivered not only by telephone, but also by e-mail and online "chat" – in fact by any other appropriate means of communication. In 2021, in the context already mentioned above, telephone traffic increased again and the milestone of 800,000 calls received was passed (+12% compared with 2020). In this way, Comnexio dealt with almost 31% of interactions with customers, excluding "physical" contacts at our twelve reception offices. Most of these offices are situated at the company's larger operating sites and are available to customers mainly so that they can recharge their budget meter cards.

Easier connections

In 2020, ORES announced the official launch of the Connect My Home service. Initiated in the form of a pilot project in 2015, Connect My Home was a national first: for the first time, four operators of cables and pipes – ORES, Proximus, VOO and SWDE – offered to handle the connection of new homes to the electricity, gas, water and telecoms networks via a single administrative application, with a single price quote and no additional costs for the customer. Once scheduled, the works are completed in a single day – sometimes even half a day – saving the customer time, effort and stress. In 2021, Connect My Home was expanded to the whole of ORES's territory and contacts are underway to include other operators interested in joining the scheme.

Managing consumption data and smart meters

One of the principal missions of ORES vis-à-vis customers consists of reading the meters, validating, storing and transmitting their consumption data to their suppliers. At the end of 2021, the company had 1,481,000 electricity meters and almost 572,000 gas meters under its management. For customers whose energy consumption requires more regular meter readings, meters that can be read remotely on a monthly basis or automatically every quarter of an hour have also been available for some years.

Electromechanical meters will gradually be replaced by smart meters. The programme to install this type of meter with customers entered a new dimension in 2021 and the milestone of 30,000 digital meters was reached in October. The programme put in place organises the rollout of these meters with the aim of maximising the positive effects for customers and the wider society at large. The new target is to exceed 80,000 meters installed by the end of 2022.

Fighting against fuel poverty

ORES is resolutely committed to social inclusion and helping vulnerable customers. As part of our public service obligations, we actively assist persons experiencing difficulties.

In this context, in November 2020, a pilot project linked to the pre-payment of energy was initiated in the province of. Operated under the aegis of the Directorate-General for Spatial Planning, Housing, Heritage and Energy of the Walloon Public Service, this project has enabled our teams to assist a group of customers who we equipped

5 THE CUSTOMER AT THE HEART OF OUR BUSINESS

with digital smart meters to enable them to experience the remote pre-payment of energy online. More than 3,600 electricity meters of this type were installed instead of conventional budget meters, with very satisfactory results for the customers concerned. This project is receiving assistance from the department of Family Science at UMons for the purpose of taking qualitative and quantitative measurements of the impact that the introduction of the meters has on household practices and in particular in a context of fuel poverty. A preliminary report submitted in May 2021 highlighted the mainly positive feedback from customers who benefited from the installation of this new technology (and associated online tools). The report also underlined the need for targeted guidance and assistance.

ORES wants to make the rollout of smart meters a tool for social inclusion and to bolster the fight against fuel poverty. We are also participating in the Walloon SocCER ("Socio-économie des Communautés d'énergie renouvelables" – "Socio-Economy of Renewable Energy Communities") project, which aims to develop tools helping to promote an inclusive energy transition. An initial "demonstrator pilot" scheduled to be implemented in Verviers during the second half of 2021 with the social housing company, Logisvesdre, was delayed somewhat following the floods experienced by the city. The aim is to equip 24 single-family houses with photovoltaic panels and smart meters in order to test a low-voltage renewable energy community with its occupants.

In addition to smart pre-payment meters – which already equip more than 7,600 customers – ORES continues to manage a stock of conventional budget meters that are topped up by customers using an individual card. This technology is reaching the end of its service life, but has to be maintained until it is replaced completely.

Budget meters

situation end 2021

	Electricity	Natural gas	Total
Total number of budget meters installed	121,836	47,792	169,628
Number of applications to install budget meters received during the year	42,113	19,026	61,139
Number of budget meters active	33,506	18,335	51,841
Percentage of budget meters active	27,5%	38,4%	30,6%
Total number of top-ups	658,047	152,465	810,512

The status of protected customer enables more vulnerable consumers and those in precarious financial or other situations to access a number of benefits and protections for their supply of gas and electricity, in particular the social tariff, which is the least expensive on the market. ORES plays the role of energy supplier for certain categories of customer: it is either a social supplier for socially protected customers, or temporary supplier – also called "Supplier X" – when customers find themselves in a complex situation with their commercial supplier. The number of social customers was up in comparison with 2020 (+18%), while customers "under Supplier X" are constantly falling (-35%) in view of the measures taken when our teams are brought in to settle these problematic situations.

Following the floods and the price rises, the Walloon Government introduced the status of "cyclical protected customer" in 2021, which enables individual customers who are the victims of disasters or in financial difficulty to benefit from the social tariff for a specific period of time. ORES has implemented a communication campaign to inform customers of these options, as well as the grants that have been put in place.

ORES supplier – number of customers	Electricity	Natural gas	Total
Social supplier	36,866	18,189	55,055
Provider X	4,684	1,944	6,628

ORES also plays the role of facilitator for customers in difficulty by participating in Local Energy Committees (LECs), in collaboration with the PCSWs and municipal social action councils. These LECs meet with the aim of finding specific and individual solutions for customers going through difficult social or financial periods and who are no longer able to pay for the charges linked to their consumption of energy.

Number of cases examined by the Local Energy Committee in 2021	Electricity	Natural gas	Total
Cases relative to the minimum supply	36	-	36
Cases relative to the loss of protected customer status	1,157	618	1,775
Cases relative to the granting of natural gas supply cards in winter periods	-	760	760

6. Corporate culture and wellbeing in the workplace

The environment and market in which ORES operates are experiencing major changes associated in particular with energy transition, digitalisation and new types of work organisation. To meet these challenges, the company is adapting by focusing on stronger HR solutions, developing the skills of its personnel, implementing the ambitious and responsible management of talents and applying a restructured health and safety policy focused on the wellbeing of staff.

In terms of the organisation of work, the continuation of the health crisis into 2021 kept strong pressure on the teams, as well as on workers individually. The successive phases for lifting measures, followed by lockdown again, were managed by the in-house COVID structure implemented in 2020, in consultation with the social dialogue bodies. The main aim was for us to be able to continue our public service missions that are essential for the population, while safeguarding the safety and wellbeing of members of staff to the maximum.

Better organised to meet challenges

The way human resources (HR) are organised took advantage of 2021 to examine the way it operates and its efficiency. As part of a programme known as "Horizon", HR proceeded with an internal assessment and set a benchmark in relation to other comparable models. It also redefined its policy to enable it to provide long-term guidance to the company's transformation and the management of change as part of a co-creation process. This involves promoting engagement and the development and recognition of employees while ensuring there are improvements to their wellbeing, which is key to their development. HR tools and processes were also the subject of an in-depth analysis designed to enrich the "employee experience" and to better guide managers in providing trusted leadership. Also, in an environment of competition on the employment market and the "talent war" being waged on certain profiles of which there is a shortage, ORES also wishes to strengthen its brand as an employer.

The structural and organisational modifications within the HR department were implemented at the beginning of 2022. However, the work completed in 2021 saw some very practical achievements.

Employment, recruitment and training

The company continued to search for new talent, not only to make up for employees retiring, but also in the context of its transformation and the new professions linked to digitalisation. While the pandemic slowed down the pace of recruitment in 2020, it picked up again gradually in 2021 and 142 employees joined the branks of ORES – against 130 departures. The "ORES TechniDays" – recruitment days held specifically for technical staff – again had to rearrange their organisation to respect the health measures in place. Nevertheless, they still enabled some twenty new technical people to be employed.

At the end of 2021, the total ORES workforce included 2,383 active employees – 2,239 of whom were on open-ended contracts. Female employees represented 32.44% of the members of staff. In 2022, the company plans to recruit some 250 new employees.

Breakdown of staff members, by gender and age group

	Employees	Supervisory staff	Management staff	Senior management	Total
Male	48,26%	10,78%	8,27%	0,25%	67,56%
Female	26,02%	3,06%	3,19%	0,17%	32,44%
Total	**74,28%**	**13,84%**	**11,46%**	**0,42%**	**100,00%**

Age groups	Employees	Supervisory staff	Management staff	Senior management	Total
< 30	9,65%	0,00%	0,55%	0,00%	10,20%
≥ 30 < 50	50,99%	7,09%	7,81%	0,17%	66,06%
≥ 50	13,64%	6,75%	3,11%	0,25%	23,74%
Total	**74,28%**	**13,84%**	**11,46%**	**0,42%**	**100,00%**

2021 also saw the completion of a project begun some time ago: the implementation and introduction into operation of the Talentsoft online training platform. The latest modules dedicated to the management of training, the management of development and the review of talent were released online. The platform enables the range of training courses to be expanded and more diversified and current learning methods to be introduced (e.g. e-learning, distance learning, videos, etc.), while making it easier for every staff member to access courses and content. In addition, it embeds the digitalisation of numerous processes, such as the management of development and recognition, appraisal sheets for new recruits or employees changing job, as well as management of the performance of executives. In terms of training, 2021 remained affected by restrictions and the difficulties linked to organising face-to-face training courses. However, the average number of hours of training per member of staff improved in comparison with 2020, rising from 14.85 hours to 20.29 hours.

Average number of hours of training in 2021	Male	Female	Total
Senior management	9.06	12.60	10.41
Management staff	10.14	15.05	11.52
Supervisory staff	11.16	11.45	11.22
Employees	30.18	17.19	25.29
Average	**22.30**	**16.22**	**20.29**

Another notable accomplishment: in September 2021, a partnership agreement was reached with the FOREM in the context of the training and recruitment of designers. ORES and the Public Service for employment and occupational training in Wallonia have joined forces to provide training – theoretical and practical – for computer-aided designers and in particular use of the AutoCAD tool, which is the software used by staff in our company's design office. The course, presented both on the premises of the FOREM in Nivelles and as an immersion course at ORES, led to the employment last February of 7 new designers, who joined the company on an initial one-year contract.

Finally, 2021 saw ORES apply for "TOP Employer" certification. On the company side, this meant having its HR practices assessed by an external body with a view to making improvements. ORES was awarded this certification for the first time at the beginning of 2022.

Dialogue and developments

2021 also experienced internal tensions linked mainly to COVID and in particular with regard to the way the overnight and weekend on-call service is organised, as well as teleworking. A number of consultation meetings were held on these subjects between management and union organisations to try and defuse tensions and find practical solutions for everyone. At the end of November, three new collective labour agreements were signed. Two of these CLAs relate to the on-call services and put in place a system to recover Sundays and public holidays worked, as well as the introduction of a minimum rest period for nights of less than 4 hours without taking back overtime. The third CLA relates to the way the practical conditions are organised for teleworking within the company.

Acting better on health & safety and awareness

Given the nature of its activities and the associated risks, ORES has developed a safety dynamic that has become part of its DNA. But for the past few years, the company has directed this safety dynamic towards health & safety and wellbeing, aimed at achieving "better-being", seen as the result of taking workers and their work-life balance into consideration as a whole.

The good health of workers has a direct effect for the company and the work they do has an impact on their personal health. The aim is to implement an overall approach to health & safety for internal, external and multidisciplinary risk factors that promotes the health & safety of all workers. This new approach is based on a number of guiding principles, themselves structured around an overall five-year health & safety plan. The focus is on personalised preventative designed to increase the maturity of health & safety and move towards "better-being", with particular attention paid to mental wellbeing.

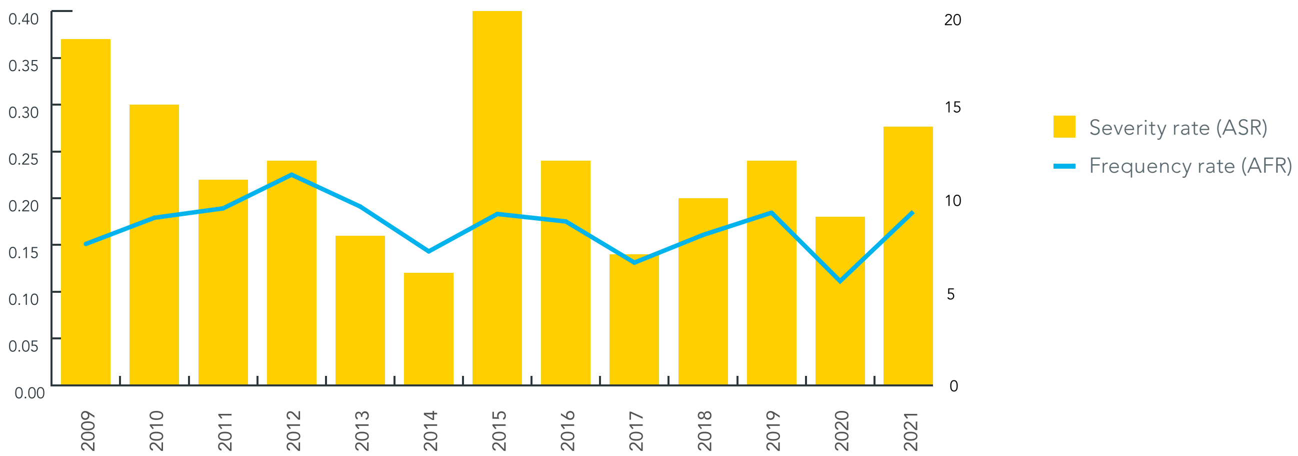
To achieve this aim, the Internal Health & Safety in the Workplace department (SIPP) has restructured the way it is organised and operated in the direction of increased proximity and availability. In 2021, SIPP introduced training and awareness modules that can be accessed remotely by staff, in particular via the "InfORES" intranet. "Midday Information" sessions were also devoted to psychosocial risks and wellbeing in the workplace, in particular with regard to feeling remote and cut-off as the result of compulsory teleworking. Webinars and awareness videos were produced on themes linked to ergonomics and travel, which have been the source of numerous accidents in the company for the past few years.

Results below expectations

For 2021, SIPP and the Executive Board took the decision to set safety targets that were a little more ambitious and proactive than in previous years: not to exceed 26 accidents at work over the year, with a maximum of 712 days of temporary incapacity for work (TIW), which corresponded to a frequency rate of 7.50 and a severity rate of 0.20 for the company.

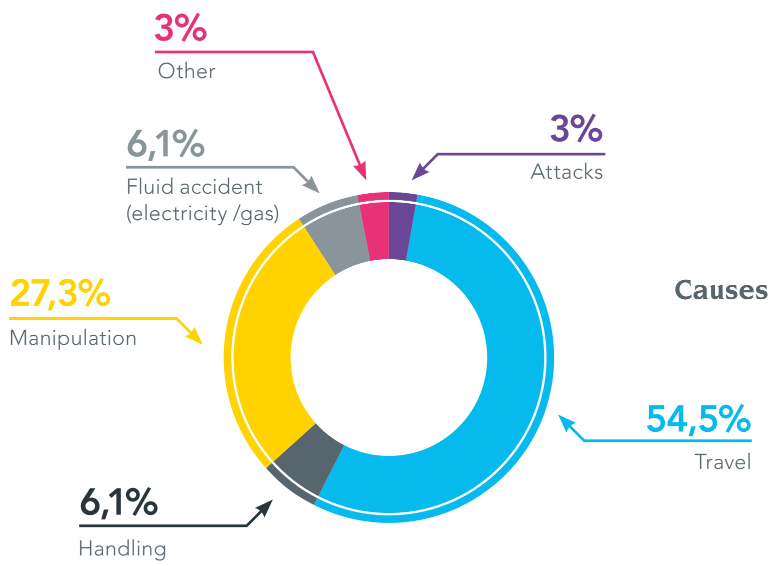
Despite repeated awareness campaigns, the results at the end of the year were disappointing. The company experienced an increase in accidents with TIW – particularly in November – associated mainly with travel (54.5% du total) and handling and manipulating equipment (33.4%). The company also saw two "fluid accidents" – i.e. accidents associated directly to electricity and gas operations. In one of these accidents, which occurred in April, a colleague was seriously injured while working in an electricity cabinet, suffering third-degree burns to the hands and less serious burns to the face. The worker had to be evacuated by helicopter and was quickly admitted to the Burns Unit at the Grand Hôpital de Charleroi (Loverval). In addition, an accident occurred on the network during works to replace an electricity line, which unfortunately cost the life of a staff member of a subcontractor.

At the end of the year, the company accident record totalled 33 accidents and 935 days of TIW, equating to a frequency rate of 9.40 and a severity rate of 0.27, which were well above the targets set. Faced with an accumulation of serious and less serious accidents, a decision was taken to strengthen the presence in the field of line management, as well as to provide systematic reminders of safety rules and procedures, and also to encourage the reporting of – potentially – dangerous situations by all members of staff in order to prevent risk situations from happening again.



ASR = number of working days lost due to temporary incapacity per 1,000 hours worked

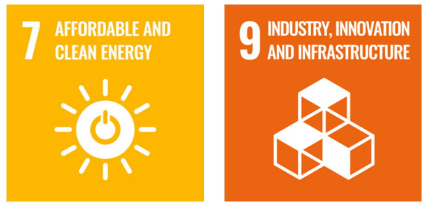
AFR = ratio between the total number of accidents at work having resulted in total incapacity for at least one day and the number hours of exposure to risk (multiplied by 1,000,000)



Causes and sources of accidents in 2021

7. Governance and transparency

The rules of governance are contained in the "Corporate Governance Charter", which was amended in October 2021. The company also undertook a review, which led to an internal reorganisation implemented at the beginning of 2022, as well as a redesign of its transformation plan. In addition, the year was devoted to the procedure for renewing the mandates of the distribution system operators by the towns, cities and local authorities in Wallonia for a new period of 20 years.



Corporate governance covers a set of rules and behaviours based on principles of transparency and accountability which, by establishing the right balance between the spirit of enterprise and its control, is designed to set the company's targets, as well as provide the means to achieve those targets in terms of its values and missions.

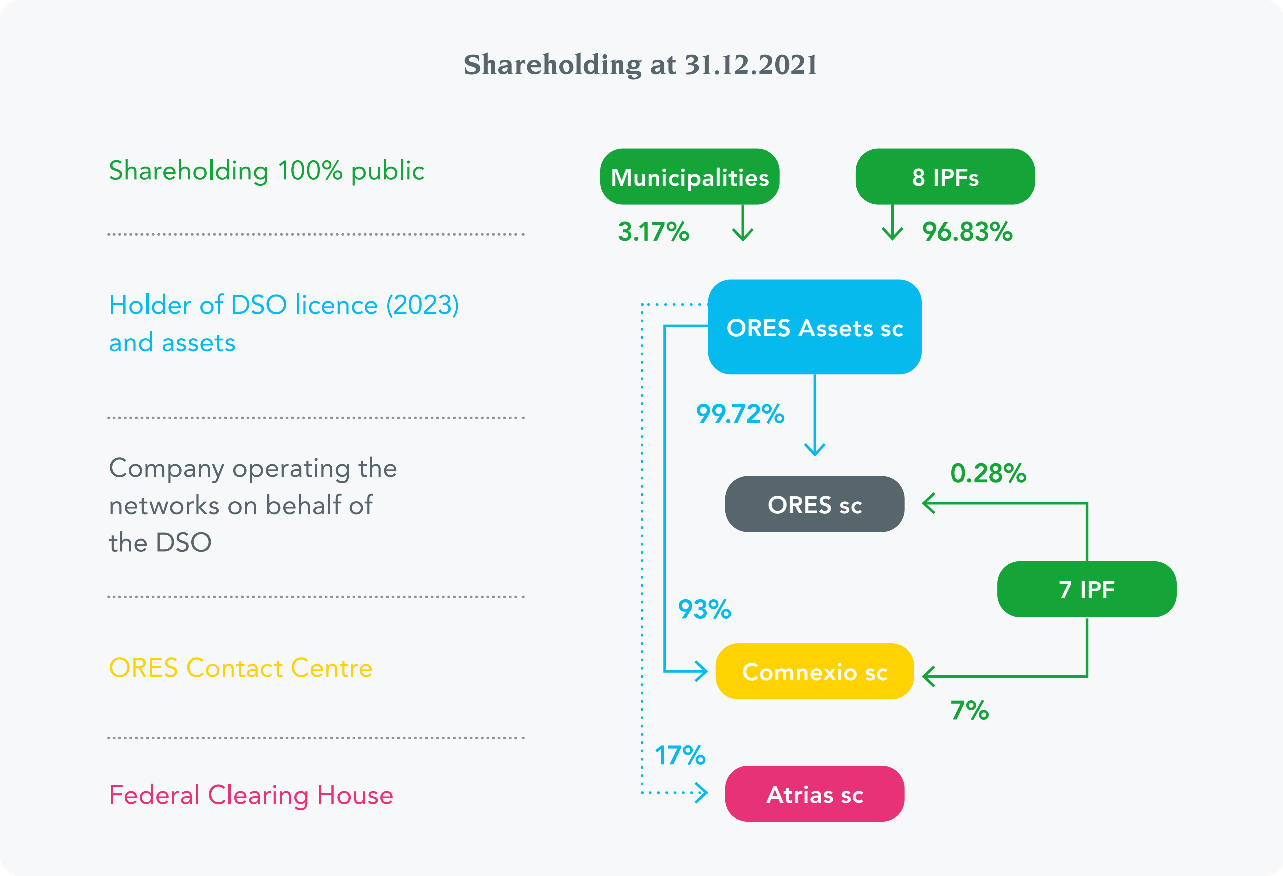
The governance charter for ORES, available on its website, establishes the operating procedures and regulations of the company's governing bodies. The charter also sets out the principles for the remuneration of the members of these various bodies.

Under the Code of Local Democracy and Decentralisation and the requirements of the Code of Companies and Associations, this annual report takes stock of the missions of these bodies, the way they operate and their composition, as well as the remuneration of their members. All of this information is available under the heading of "Remuneration reports" (pp. 153 to 174).

Shareholders

The shareholding of the distribution systems operator, ORES Assets, is currently made up of holdings from 8 pure intermunicipal financing companies (IPFs) and those of 200 towns and local authorities. The Board of Directors approved the entry of IFIGA, the pure intermunicipal financing company of French-language municipalities previously associated with the Flemish DSO, Gaselwest, in the capacity of a new associate in January 2020. The purpose of the IPFs is to guide and support local authorities in their financial shareholdings, especially in distribution networks.

7 GOVERNANCE AND TRANSPARENCY



ORES Assets owns two subsidiaries – ORES sc and Comnexio, which specialises in call centres. It also has a 17% holding in Atrias, the company that hosts the new federal market data exchange platform for the electricity and gas market.

A unified manager with strong local roots

When it was created in 2009, ORES was the technical operator mandated by appointed by eight intermunicipal distribution system operators (DSOs) – Ideg scrl, IEH scrl, IGH scrl, Interest scrl, Interlux scrl, Intermosane scrl, Sedilec scrl and Simogel scrl – to operate their infrastructures.

As part of an initial governance reform, these eight intermunicipal companies merged at the end of 2013 to create a single DSO for all of their territories. This was how ORES Assets came into being, with the status of a cooperative intermunicipal company with limited liability. To continue ensuring representation of the local interests of each entity, the merger of the intermunicipal companies was accompanied by the creation of eight sector committees within the new structure. These committees were responsible for approving network investment and adaptation plans for their geographical area, as well as the proposed tariffs that concerned them.

In 2017, a second governance reform would lead to the abolition of these sector committees, with their decision-making powers being transferred to the Board of Directors. However, in order to maintain a strong territorial anchorage, which is a guarantee of its proximity policy, ORES has set up regular information and exchange meetings with municipal officials within the context of a dynamic called "ORES Proximité" (ORES Local). Unlike the former sector committees, participation in these meetings is not remunerated. These meetings are held locally, generally twice a year, under the auspices of the seven ORES Regional Directors. In 2019, the programme enabled 19 meetings to be held with local government trustees and officials. In 2021 as in 2020, the "ORES Proximité" programme was totally disrupted as health and hygiene restrictions prevented the planned meetings from being held. In their day-to-day work, the regional directors and their deputies made sure that contact was maintained with local authority leaders and to inform them about current programmes, in particular in relation to public lighting. The procedure for the renewal of the mandates of the network operators was also an opportunity for intensive contacts with the authorities and local council staff.

Renewal of the mandates of the DSOs

The distribution system operators for electricity and gas are appointed by the Walloon Government for a period of 20 years at the proposal of the towns, cities and local authorities and based on a reasoned opinion of the regulator. As the mandates of the DSOs in Wallonia expire in 2023, there was a need to implement a renewal procedure. On 16 February 2021, the recommendation relating to the appointment of the future DSOs was published by the Minister for Energy in the Moniteur belge (Belgian State Gazette). This meant that the 262 towns and municipalities in Wallonia were invited to initiate, individually or collectively, a transparent and non-discriminatory call for applications with a view to proposing a candidate for the territory to supply electricity and gas (where applicable) for the next twenty years. Based on analysis of the applications received, they were then able to notify the CWaPE of a proposal for a potential DSO in their territory within a period of one year from the date of the call for applications, but no later than 16 February 2022. It will then be up to the Walloon Government to appoint the future DSOs, at the latest by 26 June 2022, based on the reasoned opinions submitted by the CWaPE at the latest by 26 April.

In this context, in June 2021, the ORES Board of Directors decided to establish an overall strategy to respond to the calls for applications put out by the Municipalities. This strategy is based along two main lines: on the one hand, it provided for ORES to submit, as a priority, an application to all of the towns and local authority areas for which it was traditionally the DSO for electricity and/or gas; on the other hand, regarding the municipalities for which ORES was not the DSO, the intermunicipal company would only submit an application to those local councils for which it was able to offer significant added value in terms of service quality, in particular due to its geographical base, including for customer participation in energy transition and also taking account of the available resources.

A multidisciplinary team was then tasked internally with drawing up applications in response to the various calls put out by the Municipalities, based on their specific features, as well as the criteria set by the CWaPE, with a view to submitting the applications to the regulator after proposals were made by the Municipalities. ORES responded to the calls for applications from all of the local authority areas it serviced at the beginning of 2021 –198 in total – as well as to 10 other towns and municipalities located in the Provinces of Hainaut and Namur, whose networks are managed by another DSO. We also submitted an application to manage the electricity network for the town of Wavre, where ORES already manages the gas network. At the time of this report going to press, all of "our" Municipalities – with the exception of six, three of which have still to decide – had renewed their confidence in us by proposing us as DSO to the CWaPE, which reinforces our position as the largest DSO in Wallonia. As stated above, the procedure is still underway and is scheduled to be completed, when the official appointments by the Government are made, at the beginning of summer 2022.

Corporate strategy and reorganisation

In 2020, ORES decided to take a fresh look at its mission, vision and strategy that had been in place for a number of years. There were several reasons behind this process. The aim was to check whether the strategic plan was in line with stakeholder expectations, to set new targets to be reached by the end of the tariff period in compliance with the resources allocated by the CWaPE via the distribution tariffs for 2019-2023 (see below) and, finally, to look beyond 2023 to anticipate the major trends to be incorporated into the company's strategic vision and prepare for the next tariff, period, from 2024 to 2028.

The relevance of the strategy pursued for some years now was confirmed, while at the same time incorporating new dimensions and ambitions, particularly in terms of corporate vision. The ORES roadmap, drawn up by its strategic plan, is available on the company website. In particular, it identifies the financial resources need to ensure its implementation. To enable it to assess the application of the strategy and the progress made with the transformation plan, the Board of Directors receives a document each quarter tracking the main strategic indicators as well as, each year, various reports relating to the economic situation and the activities and risks facing the company.

The general principles of governance and risk management that apply to the whole of the business at ORES are also set out in a directive for internal and are accessible to members of staff.

An in-depth analysis commenced of the business model in 2019 and continued in 2020, resulted in 2021 in a new internal target organisation, which moves towards more simplicity and efficiency, as well as greater accountability, with stronger involvement by all managers and staff in achieving the strategic plan. The company is now organised round 7 main Divisions.

Direction **Customers Division**

Direction **Corporate Division**

Direction **Financial Division**

Direction **IT Division**

Direction **Networks Division**

Direction **Human Resources Division**

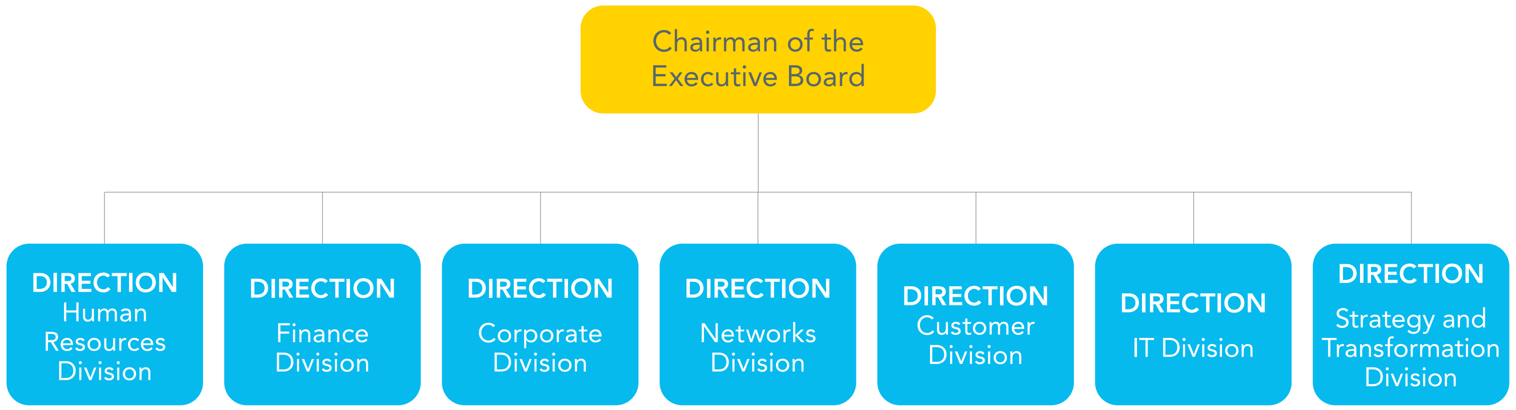
Direction **Strategy and Transformation Division**

The new Strategy and Transformation Division aims to integrate the prospective and strategic dimension to better prepare ORES for changes, in particular with regard to the challenges for the "physical" network and for the energy market, but also for aspects linked to data. This Division will handle the coordination and sequencing of the company's transformation plan, based on major projects that will gradually become operational over the years.

The creation of a unified Networks Division – encompassing much of the former Technical Division – also aims to meet respond to changes in distribution management processes, particularly in the context of energy transition and the growing digitalisation of activities ("smart grids"). It brings more coherence in this respect, but also in the logistics of activities related to our infrastructures.

The Customers Division has the job of providing more transversal solutions to ORES customers than in the past. Finally, the new Corporate Division is there to guide interactions with stakeholders in such a way as to establish and maintain high-quality relations with them and to put out a consistent and positive image of the company, both internally and externally. It becomes the single entry point for the company's stakeholders by integrating Communication, Regulatory Affairs, the Legal Department, Purchasing and Corporate Social Responsibility (CSR). The scope covered by the other Divisions remains practically unchanged in relation to the past.

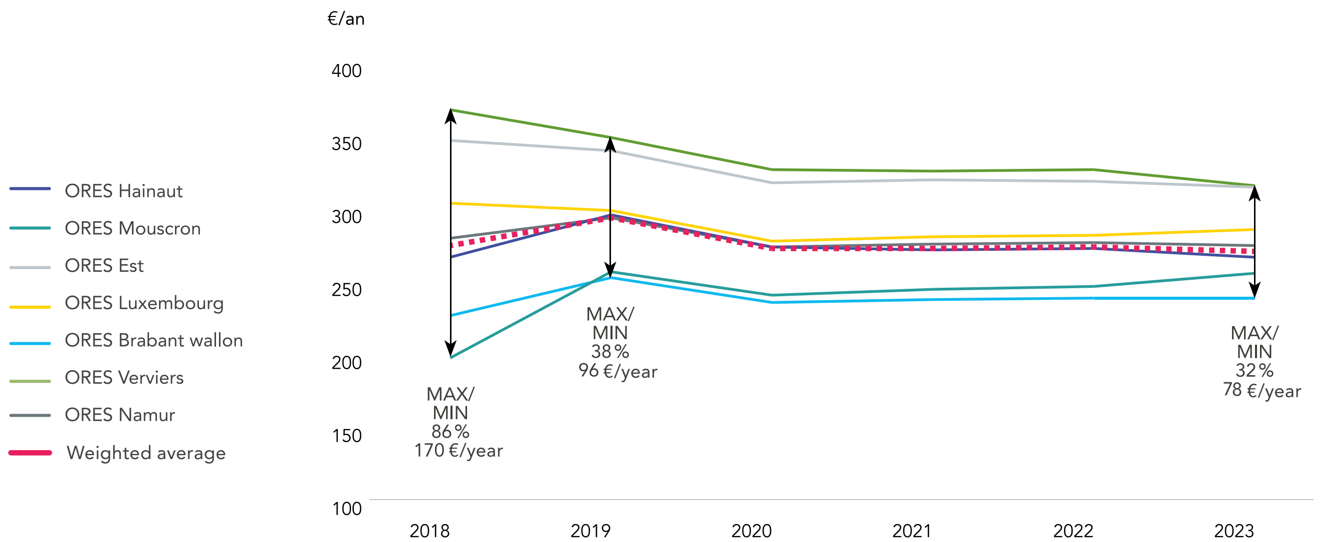
ORES organisation chart (2022)



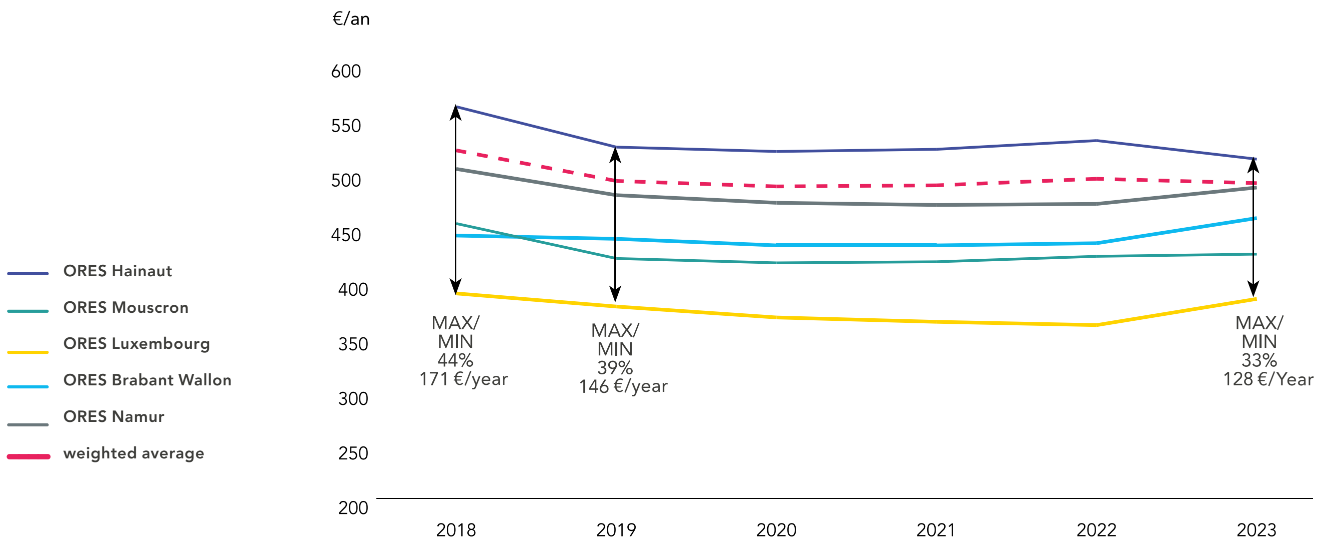
Regulation and distribution tariffs

The authorised revenue of ORES – which enables it to have the resources required to fulfil its day-to-day tasks and carry out the strategic plan – are approved by the regulator. This revenue is then transposed into distribution tariffs. The distribution tariffs for electricity and gas currently in effect apply to the period from 2019 to 2023.

As a result of cost controls and their impact on the distribution part of customers' energy bills, ORES has managed to stabilise the "average tariff" of the electricity bill, while at the same time continuing the major internal transformation programmes introduced as part of energy transition. The company has also succeeded in limiting tariff disparities as much as possible – disparities linked to operating conditions and population density – between its various sectors. As shown by the graph below, on average, the distribution tariff paid by the "typical" customer consuming 3,500 kWh per year on a dual tariff, will remain practically stable across the whole period, rising from 274 € to 277 €.



As far as natural gas is concerned, the distribution tariffs 2019-2023 were down overall over the period and also converged the "average tariff" for a typical customer, dropping from 519 € per year to 489 € per year.



The operating and budget efforts made by the company in recent years have enabled it to control any rise in network costs and hence in distribution tariffs. Overall, movements in these tariffs – excluding charges, taxes and public service obligations – have remained below the level of inflation since the beginning of deregulation.

Also, at the end of September 2021, the Board of Directors of ORES Assets approved the implementation of tariff equalisation from 1 January 2024 – i.e. an alignment of the tariffs applied to the whole of the territory covered by the company. In practical terms, this means that all ORES customers belonging to the same category will pay an identical tariff for the distribution of energy, whether they live in Tournai, Namur or Verviers. The application of this equalised tariff will enable the release of investment budgets focusing on energy transition for all of the local authority areas managed by ORES.

8. Ethics and fair practices

In terms of corporate social responsibility, ORES ensures that the principles of integrity and honesty are complied with in its relations with its stakeholders. As a leading economic player in Wallonia, the company generates business and jobs for numerous external suppliers, the vast majority of them local.

ORES aims to set an example in all its practices. The way in which it conducts its relations and transactions with its stakeholders relies on strong ethics and specific measures designed in particular to prevent any corruption. ORES is progressively putting a sustainable and responsible purchasing policy in place, with the emphasis on compliance by its suppliers and subcontractors of the laws in effect regarding human rights, social dumping, corruption, health and safety and the environment, as well as compliance with the legislation on personal data in particular.

Setting an example

The company's ethics are based on five values: professionalism, a sense of accountability, a sense of service, daring and the "respect and conviviality" value to which should also be added the spirit of impartiality, non-discrimination and independence vis-à-vis other providers in the marketplace, in addition to ORES's role as distribution systems manager and the fact that it holds a monopoly.

Each and every member of staff undertakes to abide by the basic rules formalised in an internal charter of ethics. These rules cover the use of the company's property and resources, the instructions to follow in the event of attempted corruption or conflict of interest, the protection of information and data – and in particular information deemed to be privileged, etc.

Internal audit processes are also implemented for orders of equipment that is out of stock subject to contract: the dual approval of requests by line management, calls for tenders from various suppliers, the definition of signatory powers, monitoring purchase orders, etc.

Operating as part of the Board of Directors, an Ethics Committee is charged with providing advice about the compliance, by staff, of the rules relating to the confidentiality of personal and commercial information. The Ethics Committee benefits from unlimited access to all of the processes and procedures put in place, as well as to the company's staff. It has the resources that it deems necessary at its disposal to accomplish its mission within the framework of the relevant annual budgets.

A new strategy for "External Service Providers"

In 2021, ORES undertook a transversal and consultative exercise involving its stakeholders, in the aim of developing a new vision and guiding principles for the outsourcing of certain activities related to the core business of the DSO. On completion of the exercise, the company decided to prioritise the internalisation of its activities, particularly those considered as essential. A so-called "Do or Have Done" approach was agreed on the basis of precise and ordered criteria to enable outsourcing choices to be made on a win-win basis with service providers. These providers were, of course, consulted as part of this exercise and they expressed their expectations and assessments of the relationship with ORES. 47% of service providers responded to this consultation and respondents gave an overall satisfaction score of 76% to our company. Avenues for improvement were identified and will be pursued in 2022 with a view, over time, to achieving a satisfaction score of 80% with service providers.

Relations with stakeholders

In the same way, ORES organises its relations with its stakeholders by encouraging their involvement in the principles of corporate social responsibility and sustainability. It requires its suppliers, contractors and service providers to comply with a code of ethics. The areas covered in the code of ethics document are very much identical to the internal charter of ethics.

The company applies the regulations governing public tendering processes in line with the thresholds set by the legislation. The three main categories of tender relate to works, services and supplies. The total volume of turnover represented by the contracts awarded in 2021 by the company was in excess of 228 million euros. All parties submitting tenders – both Belgian and international – are required to respect various clauses aimed at stemming the flow of social dumping: checks of the company's criminal record, confirmation and verification that social security contributions and tax obligations have been complied with in full.

Contracts that are the most liable to fraud, especially those associated with on-site works, are regulated by special provisions. Successful tenderers are required to comply with the obligations designed to ensure that both works and workers are properly registered, as well as issues such as their pay, the reporting of seconded personnel, sufficient knowledge on the part of subcontracted workers of the local language, decent and convenient accommodation for workers who are unable to return to their homes on a daily basis, etc. Deterrent, one-off or daily penalties are set out in the specifications, based on any violations recorded.

Limiting subcontracting to one or two levels, depending on the contract, also aims to strengthen the measures put in place by legislation to combat social dumping. The tenderer must ensure that the "tender form" documents are completed with respect to subcontractors, regardless of the extent to which they are involved and regardless of their place in the subcontracting chain.

Finally, co-contractors are required to respect the five basic standards of the International Labour Organisation: freedom of association and effective recognition of the right to collective bargaining, elimination of forced or compulsory labour, effective abolition of child labour, improvement in working conditions, elimination of discrimination in terms of employment and occupation.

Sustainable purchasing policy

For supply contracts, ORES encourages reference to "eco-labels" and "eco-responsible" products or equivalent. In practical terms, when it supplies itself with services or materials, the company bases its actions on specific regulations in terms of health, safety and environmental protection. This regulation specifies the safety requirements and stipulates the supplier's obligation to comply with environmental regulations on waste management, as well as the obligation to provide information about any incident that may have an impact on the environment and the obligation to take appropriate measures to limit damage in the event of an incident, etc.

9. Societal engagement and local roots

As a distribution system operator, ORES is at the heart of the socioeconomic fabric of the regions, towns and local authority areas where it operates. The company maintains close and trusting relationships with its municipal partners, the academic world and the community as a whole. The repairs that followed the dramatic floods in July 2021 and the spirit of solidarity that prevailed between the company staff and the people affected demonstrated this further. Proximity and a sense of service for all characterise the company's action, which also continued its support, educational and cultural sponsorship initiatives during the year.

At the heart of community life

The ORES regional divisions and their teams work closely with the local authorities on a daily basis. In addition to operating our networks, we work in particular in the context of renovation and urban renewal projects, development schemes and "Lighting" plans for public lighting. We regularly assume the role of site coordinator vis-à-vis the authorities and other operators within the framework of the Powalco platform. The projects conducted locally may take a variety of forms. For example, at the beginning of 2021, at the request of the local authorities, teams from ORES were involved in connecting temporary COVID-19 vaccination centres to the electricity grid, as was the case at Saint-Vith in the province of Liège. It was also reflected in the showcasing of the company's expertise, skills and services at events or local functions.

Partnerships and local support

The policy of partnership conducted by the company is all about consolidating those local roots. Overall, the policy is aimed at energy, culture, the environment and socio-humanitarian issues: festivals of literature, theatre or music, support programmes for the benefit of research in the fight against cancer or cystic fibrosis profit, assistance for the production of books or exhibition catalogues, skills or technical sponsorship at trade fairs or local events, etc. Most of the initiatives supported are selected on application by the ORES regional directors, who have an ad hoc budget that is reassessed annually. All regional partnership budgets are centralised and supervised as part of the company's public relations and communications policy. The overall budget allocated to these partnerships remained stable in 2021 at 150,000 €. The events or projects supported during this financial year remained limited due to the restrictions and health-related limits imposed for certain activities. One of the stand-out activities supported was the organisation called "Tour des Sites", which specialises in open-air sound-and-light shows highlighting the architectural, cultural and folkloric heritage in various towns or iconic sites.

CROIX-ROUGE de Belgique

Faultless generosity

Following the floods in July, an appeal for donations was launched by members of staff wishing to provide financial support for the Red Cross in its mission to assist flood victims. In all, 10,754 € was raised among staff – a figure then doubled by Management.

Elsewhere, to express its support for professionals from the world of culture and performance severely affected by the pandemic, ORES joined the national "Les Artistes du Cœur – Hart voor Kunstenaars" campaign launched at the end of 2020 under the aegis of the Prométhéa association, of which we are an active member within the Sambria Collective (see box below). This crowdfunding campaign raised more than 120,000 euros from some 400 businesses and associations. These funds were distributed at the beginning of 2021.

Sambria Collective – 2021 Prize

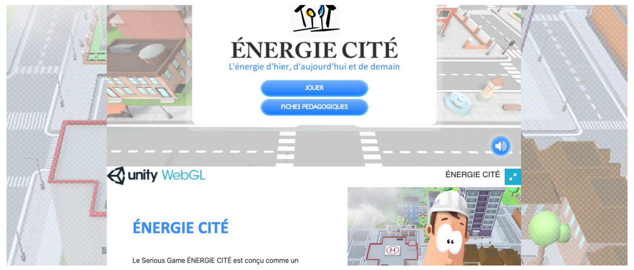
ORES is part of Sambria, the Collective of Charleroi-based corporate sponsors, operating under the auspices of the not-for-profit association, Prométhéa. The collective and its member businesses, which also include Cegelec, Brussels South Charleroi Airport, Pirnay Engineering and eight other companies, decided to pool their resources to assist the initiatives to highlight high-quality heritage spaces in Greater Grand Charleroi, for the benefit of cultural projects. Each year, the Sambria Prize rewards one or more projects that showcase the built space in Charleroi and promote access to culture.

After the ALBA talent house, the "Carolographie" project, the Ruche Theatre and the Abbey of Soleilmont in recent years, this time it was the Rockerill site, located in the old Providence forges at Marchienne-au-Pont, that was awarded the Sambria Prize, valued at 11,000 euros.

The panel of judges decided to reward the project called "the Rockerill Studio", which aims to create the transformation of a rehearsal room into a genuine professional recording studio that can be accessed by various music groups from the region. This project is designed to provide a response to the difficulties experienced by performing artists during the complex period of the pandemic.

The Rockerill Studio will provide technical and human resources for recording purposes, as well as the production of radio and video capsules, offering the special feature of being free of charge. Only charges and technical costs are invoiced to the resident artists, which is a first for the Federation Wallonia-Brussels. The judges particularly liked this project, which encourages a rebirth of music and culture after two relentless years for performers, while enhancing the emblematic location represented by the Rockerill site.

"Energy City": learning while having fun



Since it was first established, ORES has conducted awareness programmes for the rational use of energy (RUE), aimed at young people and children. After participating in initiatives such as "Zero Watt Schools" and the "Energy Challenge", the company has contributed to the production of three special issues of the "Children's Journal", focusing on electricity, gas and public lighting respectively. In 2018, it developed and distributed a set of playing cards called "ORES'O" to primary schools in Wallonia. The cards provided a fun way for the younger children to learn about electricity and natural gas, the methods by which they are distributed and practical tips for managing consumption better. 2021 saw the launch of a serious game called "Energy City". The aim of this new learning game, hosted on an online platform, is to enable the teachers of primary schoolchildren in years 5 and 6 to incorporate awareness modules into their curriculum, raising awareness of the responsible consumption of energy by having their pupils play on this computer interface. The project, developed with an educational adviser and Arteam interactive, a company specialising in serious gaming applications, was tested with a panel of teachers in the spring of 2021, before being launched permanently as part of Sustainable Energy Week at the end of October. The game is available, free of charge, online from https://www.energie-cite.be/fr/.

Projects in conjunction with the academic world

In addition to the O-One solution developed with a spin-off from ULiège and the E-Cloud project involving UMons (see section 3 "Energy Transition and the Environment"), ORES continued to work with the universities in 2021. The company funds 50% of the costs of two doctorates: one focusing on energy poverty and the other linked to the introduction of smart meters in homes. As part of the SocCER projects, also mentioned previously in this report, three living labs have been set up to test, life-size, renewable energy communities for their social, economic, technical and environmental aspects. The partners in the consortium and the participants in the working groups running these experiments with ORES include UMons and UCLouvain in particular. Finally, an "ORES Prize", worth 500 euros, rewards the final graduating work of a student from the Polytechnic Faculty of Mons who particularly distinguishes himself or herself by the quality of his or her research in the field of electricity networks.

A new record cheque for Viva for Life in 2021

Each year, the Viva for Life operation organised by the RTBF and CAP48 calls for the support of viewers and listeners in Wallonia and Brussels to help children living in unacceptable conditions of poverty.

ORES has taken part in the programme as a structural partner since it was created in 2013. Staff members are able to demonstrate their support, in particular by making donations via a centralised crowdfunding platform. This year, the public again got strongly behind the challenge launched by ORES to the RTBF presenters, sitting in the Place de Tournai (see photos). As usual, there was great support and, in the end, the donations made exceeded everyone's hopes, with a record cheque for 35,897 euros presented to the organisers on behalf of ORES. Viva for Life itself sent the donation needle off the dial in 2021, with more than 7.5 millions euros raised, which will enable 166 aid associations that support families in need to see their projects funded in Federation Wallonia-Brussels. Viva for Life celebrates its 10th anniversary in 2022 and, once again, ORES will be a partner.

III

MANAGEMENT REPORT

1. Notes to the annual financial statements

(article 3:6 of the Code of Companies and Associations)

1.1. A true and accurate review of

• The development of the business

Reference is made to Section II – Activity and sustainable development report – Statement on non-financial information.

• The company's results and situation

I. Elements from the profit-and-loss account at 31 December 2021

The amount for sales and services was 595,530 k€ (574,038 k€ in 2020). This is made up of the sales turnover for ORES of 584,467 k€ (562,124 k€ in 2020). This represents the expenses charged to ORES Assets for management services relating to the distribution networks of 579,854 k€ (557,565 k€ in 2020) and the works carried out for third parties of 4,613 k€ (4,559 k€ in 2020). Other operating income amounted to 10,806 k€ (9,990 k€ in 2020), mainly including the recovery of overheads and staffing costs from third-party companies in the context of joint projects, or re-invoicing relating to agreements entered into by the company. Capitalised production related to the activation of staffing expenses on development projects was recorded at 257 k€ (1,924 k€ in 2020).

As a reminder, the result for ORES at 31 December 2021 was zero. This is because ORES provides distribution network management services (electricity and gas) on behalf of ORES Assets, at cost.

Purchases of goods amounted to 77,110 k€, an increase of 23.6% compared with 2020. This was due, among other reasons, to the increase in the prices for raw materials.

Miscellaneous goods and services were stable, at 284,823 k€ (285,861 k€ in 2020). In the main, these concerned investment and operational works, as well as payments to third parties (fees from external consultants and legal services, as well as payments relating to IT services). The balance was made up of expenses relating to user fees (IT systems), carriage, rents and rental charges, postal expenses, representation, training, etc.

Salaries, social charges and pensions amounted to 215,913 k€. These were stable compared with 2020 (215,013 k€).

Depreciations were 580 k€ (2,324 k€ in 2020), representing the depreciation of investments activated for development expenses.

Writedowns on inventories, orders in progress and trade receivables were 3,694 k€ (19 k€ in 2020). Writedowns on inventories of 3,676 k€ were recorded in 2021. On this topic, reference is made to the notes to the balance sheet assets below. The balance was made up of writedowns on trade receivables.

Provisions for risks and expenses were -849 k€ (income) in 2021, compared with 4,675 k€ (expense) in 2020. This amount was made up of the writeback of provisions set aside for the construction of the new company head office (-3,299 k€), as well as the writeback of part of the provision relating to the cancellation of an IT services contract for the implementation of an information system for smart metering (net amount of -1,321 k€). These writebacks were offset by the constitution of a provision for social disputes (net amount of 1,840 k€) and a provision for legal matters pertaining to excavated soil (Walloon Government Excavated Soil Decree for -1,931 k€).

Other operating expenses recorded were 1,096 k€, which included in particular miscellaneous taxes and operating expenses. The increase stems mainly from a fine of 807 k€ recorded this year resulting from a tax inspection relating to the 2018 tax year.

In 2021, as it does at each closure, ORES checks to see whether any writedowns need to be recorded in the accounts on capitalised projects by conducting an impairment test. The company carried out a detailed review of the projects included in the intangible fixed assets. Following this impairment test, write-offs on intangible fixed assets of 711 k€ were recorded. As these fixed assets were not fully depreciated, no writedown was recorded. A similar exercise in 2020 led to the recording of an impairment of 4,322 k€.

Financial expenses were 27,081 k€ (29,827 k€ in 2020, down up 9.2%). These mainly included interest on bond loans and bank loans (26,311 k€).

Financial income was also 27,081 k€, made up mainly of the re-invoicing of the company's financial result to ORES Assets.

Tax on an amount (net tax expense) of 13,164 k€ mainly represented the estimated tax charge on expenses not eligible from the 2021 financial year of 5,162 k€, as well as a tax surcharge of 8,067 k€ to be paid as the result of the tax inspection for 2018. ORES is considering whether to dispute these additional tax expenses

II. Elements from the balance sheet at 31 December 2021

II.a.Assets

Intangible fixed assets amounting to 2,372 k€ (2,177 k€ in 2020) were made up of development projects (mainly smart grid and smart metering). This year, new acquisitions were made amounting to 775 k€. Following the annual impairment test, gross write-offs of 711 k€ were made, with zero impact on the net book value (compared with 4,322 k€ in 2020, recorded under impairments).

Financial fixed assets amounting to 1,689.010 k€ (1,402,679 k€ in 2020) were made up mainly of funds made available long-term to ORES Assets and should be compared with the long-term financial debts in the liabilities on the balance sheet.

ORES also owns 1 share in Laborelec.

Outstanding stocks and orders were 53,489 k€ (51,136 k€ in 2020). Write-downs were recorded in 2021, on the one hand, on the stock of electromechanical and budget meters that are no longer intended to be installed on the network and that are gradually being replaced by smart meters and, on the other hand, on the stock with a very low turnover, i.e. items that have not been moved for at least five years (345 k€).

Trade receivables were 63,846 k€ (53,982 k€ in 2020). These trade receivables were made up of debts on miscellaneous customers arising from agreements and contracts, as well as receivables from ORES Assets from the distribution network management agreement. These receivables, amounting to 58,528 k€, explain the increase compared with 2020.

Other receivables of 140,723 k€ (305,542 k€ in 2020) were represented mainly by funds made available to ORES Assets totalling 138,600 k€ (297,931 k€ in 2020) and should be compared with the long-term financial debts in the liabilities on the balance sheet. The balance was made up of tax debts and VAT to be recovered.

Cash investments amounting to a total of 152,116 k€ (38,115 k€ in 2020) were made up of investments in SICAVs (101,778 k€), term investments on bank accounts amounting to 43,338 k€ and investments in commercial paper of 7,000 k€.

Available assets of 64,967 k€ at 31 December 2021 (36,032 k€ in 2020) included cash held in current accounts and social funds.

Accruals in the assets were 5.893 k€ (3,103 k€ in 2020). These were made up of charges to be carried forward and interest income to be received linked to our hedging instruments (1,903 k€).

II.b. Liabilities

Available input (439 k€) and non-available input (19 k€) were represented by 2,460 shares held by ORES Assets, as well as by the pure intermunicipal financing companies, IDEFIN, CENEO, FINEST, SOFILUX, FINIMO, IPFBW and IEG, broken down as follows:

Shareholder	%	Number of shares
ORES Assets	99.72%	2,453
IDEFIN	0.04%	1
CENEO	0.04%	1
FINEST	0.04%	1
SOFILUX	0.04%	1
FINIMO	0.04%	1
IPFBW	0.04%	1
IEG	0.04%	1
Total	**100.00%**	**2,460**

The capital subsidies account (59 k€) represents the net book value of a subsidy received from Wallonia for a general interest industrial research project relating to smart meters (smart metering).

Provisions for risks and expenses of 16,522 k€ (17,371 k€ in 2020), were made up of:

- a recorded provision of 8,705 k€ relating to the Walloon platform for the management of master plans – vectorisation ;
- 3,718 k€ set aside following the termination of the IT services contract to implement an information system for smart metering;
- a provision of 1,840 k€ recorded for social disputes;
- 1,931 k€ set aside within the framework of statutory provisions on excavated soil (Walloon Government Excavated Soil Decree);
- a provision of 328 k€ made for the dispute with a contractor for the construction of the new head office.

Long-term financial debts of 1,689,000 k€ (1,402,669 k€ in 2020) and short-term debts of 138,600 k€ (297,931 k€ in 2020) were made up of:

- long-term bank loans amounting to 1,309,000 k€ and 138,600 k€ maturing within the year;

- long-term bond loans in the form of private placements of 380,000 k€.

In 2021, ORES contracted new loans totalling 425,000 k€ from credit or bond establishments, while it also repaid bank and bond loans totalling 297,931 k€.

These funds are available to ORES Assets and hence generate long-term and short-term receivables on the asset side of the balance sheet.

Commercial debts at 31 December 2021 amounting to 89,991 k€ (84,115 k€ in 2020) correspond to unpaid suppliers, as well as to invoices receivable.

Tax, payroll and social debts totalling 63,050 k€ (46,896 k€ in 2020) included:

- tax debts (16,059 k€) consisting of:
    - ✓ the estimated tax expenses for the period of 1,162 k€;
    - ✓ the balance of the VAT to pay of 592 k€;
    - ✓ the tax of 8,874 k€ to be paid following the tax inspection for 2018;
    - ✓ the balance of the withholding tax to be paid of 5,431 k€.
- payroll and social debts of 46,991 k€, consisting mainly of:
    - ✓ provisions for bonuses and remuneration to be paid of 16,758 k€;
    - ✓ NOSS contributions to be paid of 10,697 k€;
    - ✓ the provision for holiday pay to be paid in 2022 of 19,443 k€.

Other debts amounted to 161,466 k€ (26,046 k€ in 2020) and consisted in particular of the current account with ORES Assets totalling 155,715 k€ (20,367 k€ in 2020). The significant increase in the current account is explained by the loans taken out at the end of the year and made available to ORES Assets (see the explanation of the financial debts above).

Liability accruals of 13,269 k€ (17,171 k€ in 2020) include:

- the amount invoiced to other companies to cover the annuities to be paid to staff who worked for those companies of 2,790 k€;
- an amount of 8,066 k€ associated with the financial expenses to be paid on our bond loans and bank loans.

III. Description of the main risks and uncertainties facing the company

The following paragraphs describe the measures taken to identify the main known risks and uncertainties which ORES ("the Group") may face and the measures taken to remedy them. Risk management is a key process when it comes to helping ORES fulfil its strategic goals, as documented in the strategic plan. In 2018, ORES established a new methodology for managing risks. This has been refined each year since then.

This process identifies, analyses and assesses the relevant risks according to their nature, the probability that they will occur and their potential impact on the fulfilment of the ORES strategic plan. The methodology used in this process is described in the 2021 consolidated annual report of ORES Assets and more specifically in the section entitled "Description of the main characteristics of the internal auditing and risk management systems". The main results for 2021 are explained in more detail below, focusing on the most significant risks, as highlighted by the risk analysis finalised in October 2021[2]. Some unidentified risks could exist or, whereas they appear to be limited today, they could become more significant in the future. Nevertheless, the methodology put in place, by making all departments accountable and by expanding the sources of information as a result, makes it possible to greatly reduce the probability of ignoring a significant risk.

2. *For operating, IT and HR risks not identified as part of the most significant risks, please refer to the to description stated in the 2019 annual report.*

i. Risks associated with transformation and change

This covers the risks associated with human and financial sustainability and hence the ability of ORES to implement its strategic plan, transformation and associated change. These risks may produce difficulties associated with:

- the sustainability of the change;
- the simultaneity of projects and hence the number of projects that can be conducted jointly and the resulting dependency between projects;
- human resources, particularly the sustainability of staff workload;
- the ability to deliver results in line with the deadlines set, in particular with regard to IT projects.

These difficulties may impact the implementation of this plan.

Among the actions implemented or introduced to mitigate this risk, we should mentioned the special attention paid to governance (applicable to all initiatives, clarification of the roles involved in change management, etc.), the close monitoring of human resources (optimisation of the resources required by the projects, strengthening of teams to plan and implement these projects, special attention to the workload of the various functions involved with the change, etc.). In the same way, the implementation of these actions opens up opportunities for ORES, such as mobilising staff behind a new long-term vision, reflecting on efficiency, making people aware of the budget process and complying with it, developing agility and adapting the organisation and its processes, etc.

In the context of the digitalisation of the activities of the DSOs, platforms such as Atrias are essential. The ability to incorporate new technologies into it and market expectations (mainly about the smart meter) is fundamental and constitutes a risk factor that required particular attention.

ii. Risks associated with pandemics

Due to the measures to stop normal operations that may be imposed by the government authorities should there be a pandemic, as well as the effect of these measures on the availability of staff, pandemic may affect companies and require them to respond in the face of exceptional unforeseen and anticipated circumstances.

ORES has an internal emergency plan and, where applicable, takes exceptional and proportionate measures to:

- safeguard the health of its staff;
- maintain the essential public service tasks provided by the company;
- contribute to the national effort to combat the spread of pandemics.

ORES has demonstrated its ability to provide public service missions efficiently against a background of the unprecedented health crisis experienced in recent years.

The world shortage of rare materials and items such as microprocessors caused by changes in living habits and consumption following the Covid-19 pandemic, as well as due to the global geopolitical environment, may also impact ORES. The resulting non-availability of equipment required for the networks may affect the work that ORES is able to carry out in. Special attention needs to be paid to the continuity of the supply chain.

iii. Regulatory risk

The context of distributing electricity and gas is faced with increasingly rapid and uncertain changes. With this in mind, there is increasing probability that changes to the legislation and/or regulations may have a significant sudden and/or unexpected impact on the company's strategy, with potential effects on the projects underway, the need to embark on new, very short-term projects and the mobilisation of the company's human and budgetary resources. These repetitive uncertainties and changes make the development of effective operational strategies more complex. More specifically, the company's ability to maintain consistency between its vision, strategy and transformation plan, as well as developments in the external context is the subject of special attention. A new strategic plan was approved at the end of 2021 and is monitored regularly.

In the same way as risks associated with transformation and change, the implementation of actions to mitigate regulatory risk opens up opportunities for ORES, such as thoughts about efficiency, awareness of the budgeting process and complying with it, developing agility and adjusting the organisation and its processes, etc.

More specifically with regard to tariff risk, please refer to section viii, "Economic and financial risks", below.

iv. Risks associated with the volume of energy distributed

The ban on the use of fossil fuels by 2050, as well as the measures adopted by the European Union to encourage the gradual introduction of this ban (for example for financing), may have an effect on the Group's gas-related business. This impact will depend on the agreed vision of where gas fits into the intended low-carbon society. It may involve a reduction in the penetration rate, an increase in associated costs (and hence tariffs), a problem with depreciations if certain assets can no longer be used at the end of their initial service life, or an increase in financing costs. In addition, other sources of energy, such as heat networks, may come to compete directly with the gas-related business.

A reduction in consumption and hence in the volumes transiting through the networks as a result of the improvement in the energy efficiency of buildings and the development of forms of the self-production of energy (such as photovoltaic panels), could also have an impact on the gas business, as well as on electricity. This impact might take the form of a reduction in the base (kWh) for which the cost of activities could be passed on and hence an increase in tariffs. However, this reduction could be offset by the introduction of new uses for energy (electric and CNG vehicles, heat pumps, etc.).

The Promogaz and CNG campaigns aimed at optimising the use of the gas distribution networks, facilitating the use of biomethane by accommodating new injection points, or the monitoring of the development of the injection of hydrogen into the gas distribution network are all actions that would enable this risk to be mitigated and could constitute an opportunity through the development of "green" gas being injected into the network.

Beyond the threats that this could have on the volume of energy (electricity and gas) drawn down from the distribution networks, energy transition also has the effect of placing the distribution networks at the heart of the technological and societal changes associated with this transition. By confirming its wish to be a facilitator of energy transition, ORES also aims to be an essential conduit working on behalf of these numerous developments: the production of renewable energy connected to the distribution network (photovoltaic panels, wind farms, injections of biomethane), new mobility solutions (electric recharging points, CNG or bio-CNG stations), energy communities, flexibility, storage, etc. There are many opportunities and these are being monitored by closely by ORES.

v. Risks associated with external service providers

ORES and ORES Assets are subject to the legislation on public procurement for their purchases of supplies, services and works. ORES is seeing an upward trend in the cost of the contractors on which it calls by public tenders. A procedure is to be launched to define a "vision of external service providers" in order to mitigate this risk. In the same way, the strategies for public procurement are currently the subject of changes, which specifications are being reviewed.

vi. Risks associated with organisation and governance

The environment in which ORES and ORES Assets operate is uncertain and complex. It is also changing quickly and constantly: energy transition, digitalisation, more sophisticated energy markets, the need for immediacy, speed of technological developments, etc. This means that the processes and organisation must be adapted and simplified to enable ORES to be more efficient and to achieve the required level of agility. While the roles and responsibilities of the organisation of tomorrow are not yet clear, there may be tensions and losses of efficiency, etc. In order to mitigate these risks, procedures linked to the efficiency of the organisation have led to a new organisation for ORES.

vii. Climate risks

Storms, higher temperatures with greater variations, intensive rainfall and the resulting floods, etc. The frequency and severity of these weather-related events can cause harm to the distribution networks and the way they are operated. Adjusting to climate change and the resilience of our networks are new risks that need to be taken into account by ORES.

viii. Economic and financial risks (including tariff risks)

viii. a. Tariff risks

The activities of ORES and ORES Assets are governed by a major legislative and regulatory framework, the main two elements of which are the tariff decree and the tariff methodology, drawn up on the basis of this decree by the CWaPE. In particular, this framework defines the means available to the DSO to fund its activities (authorised income) or a collection of rules that may have a positive or negative impact on shareholders' remuneration (incentive-driven regulation mechanism). In 2018, the regulator approved the authorised revenue available to the Group for the 2019-2023 period and in 2019 the rates for the 2019-2023 period. This is a positive element that gives the company a 5-year view of the means at its disposal. In 2018, the regulator had also approved special budgets for specific projects (notably for smart metering and the promotion of natural gas). Following the publication of the Walloon decree of 19 July 2018 relating to the deployment of smart meters, the assumptions used in the framework of the budget relating to the specific "smart metering" project as approved by the regulator had to be reviewed (in particular, change in metering technology and downward revision of the volumes deployed over the period 2019-2023). The CWaPE's decision to refuse the envelope specifically reviewed to take these new assumptions into account having been overturned by the Market Court following the appeal by ORES, discussions about the net charges included in this envelope have continued. They resulted, in October 2021, with the regulator approving the review of these net charges. Elsewhere, discussions relating to the adoption of the tariff methodology 2024-2028 have begun. In particular, ORES will be careful to ensure during these discussions that this methodology assures the continuity and long-term vision of the activities of the DSOs, that a tariff structure is introduced that meets the needs of customers, as well as complies with the constraints and cost structure of the DSOs, etc. Although any modification of the tariff methodology could have an impact on the profitability of ORES, the regulator's obligation to take account of the principles of the European directives of the third energy package and the tariff decree of 19 January 2017 will limit this risk.

Differences may appear between controllable costs and actual costs, both in terms of the authorised income and specific budgets. To mitigate this risk, the following actions are being taken in particular:

- monthly budget monitoring, refinement of budgets as and when required and the production of a "best estimate";
- monitoring the indexation parameters, as well as the development of certain costs.

Finally, the company needs to ensure it complies with the financial covenants, which are monitored regularly.

viii. b. Credit risks

The Group conducts a financing policy that calls on a variety of sources in the capital markets. Since 2012, the Group's financing has been carried out by ORES, with a guarantee from ORES Assets.

At 31 December 2021, the Group's sources of financing consisted mainly of:

- a programme of commercial paper with an indefinite duration up to a maximum of 550 M€;
- funds raised via private investments (in 2014, 2015 and

2021);

- amounts raised through the issue of bank loans;
- significant finance raised from the European Investment Bank (550 M€);
- a short-term line of credit for 50 M€ for a term of 3 years.

The series of measures required for the development of the European Union's sustainable finance strategy is still in the process of being approved (regulations on taxonomy, related draft delegated bills, draft directives or regulations on corporate sustainability reporting, on the publication of information relating to sustainable finance, on governance, etc.). The finalisation of the texts and their eventual transpositions into Belgian law could impact ORES and/or make access to finance more complex.

viii. c. Interest rate risks

Any change in interest rates has an impact on the level of financial expenses. In order to minimise this risk, the Group applies a financing and debt management policy designed to achieve an optimum balance between fixed and variable interest rates. As well as this, hedging instruments are used to protect against uncertainty. With a view to managing interest rate risks, the Group uses derivatives such as swaps (short-term rates to long-term rates), interest rate caps and collars (combination of buying a cap and selling a floor). No derivatives are used for the purposes of speculation. The financing policy also takes debt maturity into account. Debt management and market data are carefully monitored.

viii. d. Inflation risks

The inflation risk is the risk of a more or less sustainable and controllable price increase. The CWaPE tariff methodology provides for controllable costs to change annually on the basis of an indexation factor (linked to the Belgian health index) of 1.575%, which is not revised during the tariff period. As a result, any price increase in excess of the inflation forecast in this methodology could impact the company's earnings. To protect itself from this risk, ORES has acquired partial cover through an inflation swap.

viii. e. Fiscal risks

ORES Assets and ORES are subject to corporation tax. Changes to the tax regulations and their interpretation by the tax authorities may impact the group. The tariff methodology stipulates that any fiscal charges for ORES Assets are incorporated into the tariffs as a non-controllable cost. As a result, the impact of changes to the tax legislation is limited essentially to ORES.

viii. f. Assets and liquidity risks

Within the context of managing these risks and billing fees to use the networks, which accounts for the bulk of the Group's turnover, ORES Assets has financial guarantees from many of its energy suppliers active on the network. These guarantees are defined by the contract granting access to the network and may be reviewed annually.

ORES has short-term financing capacity thanks to its programme of commercial paper and credit lines, as outlined above; the liquidity risk can therefore be regarded as more than manageable. Cashflow management helps limit the risks associated with the market, the way assets and liabilities are structured and liquidity. The management bodies have established a prudent investment management policy, based on diversification as well as the use of products with limited risks in terms of credit and rates. ORES is aware of the issue of negative interest rates when it comes to managing its cashflow.

viii. g. Macroeconomic and financial climate risks

The economic situation may have repercussions on the demand for electricity and natural gas, or on the price of certain charges linked to the price of energy or on the Group's financing conditions.

The economic situation may have repercussions on the demand for electricity and natural gas, or on the Group's financing conditions. With regard to the impact on the demand for electricity and natural gas, this risk and its effects are not normally borne by the Group. The 2019-2023 tariff methodology provides for the regulator to check the differences between the budget and the actual situation during the financial year following the year in question (N+1), including volume risk. The tariff for regulatory balances shall, in principle, be adjusted to take account of these differences as from 1 January of the year following that of the check (N+2).

The charges linked to the price of energy, such as the purchase of energy for the price of losses, are essentially expenses that are controllable for the DSOs. The increase in energy prices on the wholesale markets, both for electricity but especially for gas, which began in September 2021, may force these charges up, causing them to exceed the level of costs accepted by the regulator. In the same way, the increase in energy prices could have an adverse effect on the financial situation of some suppliers who are already weakened. The financial fallout from the bankruptcy of energy providers is also considered by the tariff methodology to be controllable expenses. These overruns are currently deducted from the fair remuneration of invested capital (REMCI) and as a result are withdrawn from the profits of the DSOs and their partners. In addition, this increase could also lead to a slowdown of the investment works requested by customers. At the current time, the impact is not such that it might compromise the continuity of the Group.

With regard to the impact on the financing conditions for the Group, reference is made to the paragraph on interest rate risk (derivatives for hedging purposes, financing and debt management policy and monitoring of market data).

1.2. Details of significant post-closing events

The end of February saw the ORES teams placed on alert, from the call centre and the teams in the field, to central dispatching and the manoeuvre coordination posts. Three successive named storms – Dudley, Eunice and Franklin – blew in and affected Wallonia, causing major damage to the electricity distribution network infrastructure, mainly in Picardy Wallonia, but also in the regions of Mons-La Louvière and Walloon Brabant, resulting in numerous blackouts for customers. Thanks to the close-knit support of staff members between regions, these outages were kept restricted in time and the supply of electricity was restored as soon as possible. Often working in difficult conditions, all operations were carried out with professionalism and – always a priority – with a keen eye on safety for everyone involved.

The conflict in Ukraine that began at the end of February could have multiple consequences for the Group: financial, due to the increase in the charges associated with the price of energy and the failure of certain energy providers (see Macroeconomic and financial climate risks), technical – affecting the very business of the DSO, in particular with the risks relating to the continuity of supplies in Europe, and IT-related, with the rise in cybersecurity risks. However, this conflict may also provide an opportunity to speed up the development of renewable energy, in particular "new gases" and biomethane.

A number of Walloon DSOs, including ORES Assets, noted that the terms of the provider ELEXYS SA's access contract to their electricity and gas distribution networks were no longer being fulfilled. As a result, its access to the networks was suspended on 18 March. A transactional document (payment plan) is in the process of being finalised between this provider and ORES Assets to cover the resulting risk. As another energy provider, Energie 2030 Agence SA, wanted to cease its supply business on 1 March, the CWaPE decided to withdraw its supply licence, resulting in a breach of the access contracts with the DSOs, including ORES Assets. These two withdrawals have no impact on the financial health of the ORES Group.

As already mentioned, a new organisation has been introduced to ORES. In addition, the 1st quarter of 2022 saw the departure of two directors from ORES. The first of these, Inne Mertens, director of the Customer Division, left the company to become CEO of Sibelga, the Brussels distribution system operator. The second, Benoît Houssard, director of the former Technical Department, took retirement. The Group thanks them both for everything they have contributed to ORES during their career.

1 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.3. Information about circumstances likely to have a significant influence on the company's development, insofar as they are not of a nature that will seriously damage the company

None.

1.4 Information about research and development activities

Technical developments in terms of network management, smart metering and other developments (including computer applications for managing metering data) show that significant development costs were generated and that it is highly probable that they will be spread over longer periods than in the past. With this in mind, ORES took the option of activating staff expenses for researchers, technicians and other support staff, insofar as they are allocated to working on a project qualified as "development".

These projects relate in the main to IT developments, such as the Atrias project or to the smart metering and smart grid projects.

1.5. Information relating to the existence of branches of the company

None

1.6. Justification of the application of accounting rules on the basis of continuity if the balance sheet shows a loss carried forward or if there is a loss in to the profit and loss account for two successive financial years

The balance sheet does not show any loss carried forward and the profit and loss statement does not show a loss for two successive financial years.

1.7. All information to be inserted here pursuant to the Code of Companies and Associations

Number of shares in circulation at 31 December 2021: 2,460.

These shares are all of the same class.

We are of the opinion that the report contains all the information required by the Code of Companies and Associations.

1.8. Presentation of the use of financial instruments by the company

Up until 2012, the 8 combined DSOs that merged to create ORES Assets were financed by bank loans (via public contracts) from leading Belgian financial institutions.

Since 2012, the Group's funding has been carried out by ORES, guaranteed by ORES Assets, which means that the group can benefit from a range of financing sources.

Apart from bank financing (which has not been subject to a public contract since 30 June 2017), as of 31 December 2021, ORES:

- had a programme of commercial papers worth 550 M€ with an indefinite term;
- had a short-term line of credit, for an overall amount of 50 M€ with a term of three years;
- issued bonds in 2014 and 2015 admitted to the listing and to be traded on the "Open market" segment of the Frankfurt stock exchange in the form of private investments;
- secured a financing programme from the EIB (European Investment Bank) in 2017 for a total of 550 M€ to be drawn over 5 years.

In 2021, ORES contracted new bank loans for 200 M€. It also proceeded with the issue of private investments for 100 M€ and drew down 100 M€ on the financing programme from the EIB.

ORES will continue to pursue a financing policy that calls on a variety of sources in the capital markets.

The financing policy is based on three points (interest rate, loan term and use of hedging derivatives). These principles were the subject of decisions made by the competent bodies of ORES Assets and ORES. The financing policy also takes into account different lifetimes of loans and the lifespan of the assets.

Particular attention is paid to changes in interest rates. Indeed, any variation in interest rates has an impact on the level of financial expenses. In order to protect themselves against this risk, ORES and ORES Assets are careful when it comes to debt management, to find the optimum balance for loans at variable and fixed interest rates in its portfolio.

In addition, hedging instruments are used to protect against increases in interest rates. This risk is managed thanks to the use of derivatives such as interest rate swaps (short-term rates to long-term rates), interest rate caps and collars (combination of buying a cap and selling a floor).

No derivatives are used for the purposes of speculation.

1.9. Justification of independence and competence in terms of accounts and auditing of at least one member of the Audit Committee

Since June 2018, the Audit Committee has been mirrored in ORES and ORES Assets, according to the rules of common governance and in accordance with the provisions of the Belgian Local Democracy and Decentralisation Code.

Ms Anne-Caroline Burnet was appointed Chair of the Audit Committee from 11 September 2019, following the total renewal of the Board of Directors by the general meeting of shareholders on 29 May 2019, in accordance with the CDLD and the articles of association.

She justifies the required independence and competence. In this way, on the one hand she meets the independence criteria required by the legislation while, on the other, she has the required experience in accountancy, audit and financial matters in the sense of the Act of 7 December 2016. These two elements were confirmed in a certificate.

This management report will be lodged in full with the National Bank of Belgium (notes to the financial statements; annual financial statements, with the latter being in the format of the full standardised model; valuation rules and social balance sheet), accompanied by non-financial information (introduction, activity and sustainable development report – statement of non-financial information, as well as the GRI table of contents) and the remuneration report.

2. Annual financial statements

2.1. Balance sheet (in euros)

	Ann.	Codes	Financial year	Previous financial year
ASSETS				
SET-UP COSTS	6.1	20		
FIXED ASSETS		21/28	**1,691,382,537.18**	**1,404,855,733.43**
Intangible fixed assets	6.2	21	**2,372,348.85**	**2,177,036.37**
Tangible fixed assets	6.3	22/27		
Land and buildings		22		
Plant, machinery and equipment		23		
Furniture and vehicles		24		
Leasing and similar charges		25		
Other tangible fixed assets		26		
Fixed assets in progress and advance payments		27		
Financial fixed assets	6.4/6.5.1	28	**1,689,010,188.33**	**1,402,678,697.06**
Affiliated companies	6.15	280/1	1,689,000,000.00	1,402,668,508.73
Holdings		280		
Receivables		281	1,689,000,000.00	1,402,668,508.73
Companies with which there is a shareholding link	6.15	282/3		
Holdings		282		
Receivables		283		
Other financial fixed assets		284/8	10,188.33	10,188.00
Stocks and shares		284	288.33	288.33
Receivables and cash guarantees		285/8	9,900.00	9,900.00
CURRENT ASSETS		29/58	**481,032,942.58**	**487,909,722.50**
Amounts receivable after one year		29		
Trade receivables		290		
Other receivables		291		
Stocks and orders in progress		3	**53,488,910.55**	**51,135,769.73**
Stocks		30/36	53,488,910.55	51,135,769.73
Supplies		30/31	53,488,910.55	51,135,769.73
In manufacture		32		
Finished products		33		
Goods		34		
Real estate property intended for sale		35		
Advance payments		36		
Orders in progress		37		
Amounts receivable within one year		40/41	**204,568,475.00**	**359,524,286.80**
Trade receivables		40	63,845,610.21	53,982,351.97
Other receivables		41	140,722,864.79	305,541,934.83
Cash investments	6.5.1/6.6	50/53	**152,116,189.10**	**38,114,631.00**
Own shares		50		
Other investments		51/53	152,116,189.10	38,114,630.89
Disposable assets		54/58	**64,966,713.27**	**36,031,836.62**
Accruals	6.6	490/1	**5,892,654.66**	**3,103,198.46**
TOTAL ASSETS		20/58	**2,172,415,479.76**	**1,892,765,455.93**

	Ann.	Codes	Financial year	Previous financial year
LIABILITIES				
SHAREHOLDERS' EQUITY		10/15	**517,034.27**	**565,946.82**
Capital	6.7.1	10/11	**457,560.00**	**457,560.00**
Subscribed capital		110	438,960.00	438,960.00
Non-subscribed capital		111	18,600.00	18,600.00
Revaluation surplus		12		
Reserves		13		
Unavailable reserves		130/1		
Unavailable statutory reserves		1311		
Acquisition of own shares		1312		
Financial support		1313		
Other		1319		
Untaxed reserves		132		
Available reserves		133		
Profit (Loss) carried forward (+)/(-)		14		
Capital grants		15	**59,474.27**	**108,386.82**
Advance to the shareholders on the distribution of the net assets		19		
PROVISIONS AND DEFERRED TAXATION		16	**16,522,109.72**	**17,371,352.77**
Provisions for risks and charges		160/5	**16,522,109.72**	**17,371,352.77**
Pensions and similar obligations		160		
Taxes		161		
Major repairs and maintenance		162		
Environmental obligations		163		
Other risks and charges	6.8	164/5	16,522,109.72	17,371,352.77
Deferred tax		168		
DEBTS		17/49	**2,155,376,335.77**	**1,874,828,156.34**
Amounts payable after one year	6.9	17	**1,689,000,000.00**	**1,402,668,508.73**
Financial debts		170/4	1,689,000,000.00	1,402,668,508.73
Subordinated loans		170		
Non-subordinated bond issues		171	380,000,000.00	280,000,000.00
Lease-financing and similar debts		172		
Credit institutions		173	1,309,000,000.00	1,122,668,508.73
Other borrowing		174		
Trade debts		175		
Suppliers		1750		
Notes payable		1751		
Pre-payments on orders		176		
Other debts		178/9		
Amounts payable within one year	6.9	42/48	**453,107,816.96**	**454,988,888.53**
Long-term debts falling due this year		42	138,600,000.00	297,931,491.27
Financial debts		43		
Credit institutions		430/8		
Other borrowing		439		
Trade debts		44	89,991,166.59	84,115,422.44
Suppliers		440/4	89,991,166.59	84,115,422.44
Notes payable		441		
Pre-payments on orders		46		
Debts for taxes, payroll and social contributions	6.9	45	63,050,329.92	46,895,987.02
Taxes		450/3	16,058,655.74	1,632,147.32
Remuneration and social charges		454/9	46,991,674.18	45,263,839.70
Other debts		47/48	161,466,320.45	26,045,987.80
Accruals	6.9	492/3	**13,268,518.81**	**17,170,759.80**
TOTAL LIABILITIES		10/49	**2,172,415,479.76**	**1,892,765,455.93**

2.2 Profit-and-loss account (in euros)

		Ann.	Codes	Financial year	Previous financial year
Sales and services			70/76A	**595,529,990.62**	**574,038,243.39**
Turnover		6.10	70	584,466,912.07	562,123,766.80
Manufacturing work-in-progress, finished products and orders in progress: increase (reduction)	(+)(-)		71		
Capitalised production			72	256,870.77	1,924,440.60
Other operating income		6.10	74	10,806,207.78	9,990,035.99
Non-recurrent operating income		6.12	76A		
Cost of sales and services			60/66A	**582,366,070.22**	**574,709,123.71**
Supplies and goods			60	77,109,697.93	62,382,265.39
Purchases			600/8	83,139,334.17	70,583,007.36
Stocks: reduction (increase)	(+)/(-)		609	-6,029,636.24	-8,200,741.97
Miscellaneous goods and services			61	284,822,878.36	285,860,794.91
Salaries, social charges and pensions	(+)/(-)	6.10	62	215,912,701.16	215,013,247.71
Depreciation and writedowns of set-up costs on intangible and tangible assets			630	579,581.40	2,323,816.04
Value writedowns on stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)	6.10	631/4	3,694,311.77	18,546.00
Provisions for risks and expenses: allocations (usage and writebacks)	(+)/(-)	6.10	635/8	-849,243.05	4,674,857.28
Other operating expenses		6.10	640/8	1,096,142.65	113,440.28
Operating expenses transferred to assets as restructuring costs	(-)		649		
Non-recurrent operating expenses		6.12	66A		4,322,156.10
Operating profit (loss)	**(+)/(-)**		9901	**13,163,920.40**	**-670,880.32**
Financial income			75/76B	**27,081,165.81**	**29,827,500.27**
Recurrent financial income			75	27,081,165.81	29,827,500.27
Income from financial fixed assets			750		
Income from current assets			751	25,086,178.34	29,746,661.41
Other financial income		6.11	752/9	1,994,987.47	80,838.86
Non-recurrent financial income		6.12	76B		
Financial expenses			65/66B	**27,081,165.81**	**29,827,500.27**
Recurrent financial expenses		6.11	65	27,081,165.81	29,827,500.27
Debt charges			650	26,310,781.54	29,532,167.35
Write-downs of current assets other than stock, orders in progress and trade receivables: allocations (writebacks)	(+)/(-)		651		
Other financial expenses			652/9	770,384.27	295,332.92
Non-recurrent financial expenses		6.12	66B		
Profit (Loss) before taxes	**(+)/(-)**		9903	**13,163,920.40**	**-670,880.32**
Deductions on deferred taxes			780		
Transfer to deferred taxes			680		
Taxes on the result	**(+)/(-)**	6.13	66/77	**13,163,920.40**	**-670,880.32**
Taxes			670/3	13,242,709.46	2,736,230.27
Tax adjustments and writebacks of tax provisions			77	78,789.06	3,407,110.59
Profit (Loss) from the financial year	**(+)/(-)**		9904	**0.00**	**0.00**
Withdrawals from untaxed reserves			789		
Transfer to untaxed reserves			689		
Profit (Loss) from the financial year to be allocated	**(+)/(-)**		9905		

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2.3. Allocations and withdrawals (in euros)

		Codes	Financial year	Previous financial year
Profit (Loss) to be allocated	**(+)/(-)**	9906		
Profit (Loss) from the financial year to be allocated	(+)/(-)	9905		
Profit (Loss) carried forward from the previous financial year	(+)/(-)	14P		
Transfers from equity capital		791/2		
from input		791		
from reserves		792		
Allocations to equity capital		691/2		
to input		691		
to the statutory reserves		6920		
to other reserves		6921		
Profit (Loss) to be carried forward	**(+)/(-)**	14		
Contribution of shareholders in the loss		794		
Profit to be distributed		694/7		
Return on capital input		694		
Directors and managers		695		
Employees		696		
Other beneficiaries		697		

2.4. Appendices (in euros)

STATEMENT OF INTANGIBLE ASSETS

		Codes	Financial year	Previous financial year
DEVELOPMENT COSTS				
Acquisition value at the end of the financial year		8051P	xxxxxxxxxxx	**3,647,904.07**
Movements during the financial year				
Acquisitions, including capitalised production		8021	774,893.88	
Disposals and decommissioning		8031	710,710.00	
Transfers from one heading to another	(+)/(-)	8041		
Acquisition value at the end of the financial year		8051	**371,208,795.00**	
Depreciation and impairments at the end of the financial year		8121P	xxxxxxxxxxx	**1,470,867.70**
Movements during the financial year				
Recorded		8071	579,581.40	
Writebacks		8081		
Acquired from third parties		8091		
Cancelled following disposals and decommissioning		8101	710,710.00	
Transferred from one heading to another	(+)/(-)	8111		
Depreciation and impairments at the end of the financial year		8121	**1,339,739.10**	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		81311	**2,372,348.78**	

STATEMENT OF FINANCIAL FIXED ASSETS

		Codes	Financial year	Previous financial year
AFFILIATED COMPANIES - PARTICIPATING INTERESTS AND SHARES				
Acquisition value at the end of the financial year		8391P	xxxxxxxxxxx	
Movements during the financial year				
Acquisitions		8361		
Disposals and withdrawals		8371		
Transfers from one heading to another	(+)/(-)	8381		
Acquisition value at the end of the financial year		8391		
Gains at the end of the financial year		8451P	xxxxxxxxxxx	
Movements during the financial year				
Recorded		8411		
Acquired from third parties		8421		
Cancelled		8431		
Transferred from one heading to another	(+)/(-)	8441		
Gains at the end of the financial year		8451		
Impairments at the end of the financial year		8521P	xxxxxxxxxxx	
Movements during the financial year				
Recorded		8471		
Writebacks		8481		
Acquired from third parties		8491		
Cancelled following disposals and withdrawals		8501		
Transferred from one heading to another	(+)/(-)	8511		
Impairments at the end of the financial year		8521		
Uncalled amounts at the end of the financial year		8551P	xxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8541		
Uncalled amounts at the end of the financial year		8551		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		280		
AFFILIATED COMPANIES - RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		281P	xxxxxxxxxxx	1,402,668,508.73
Movements during the financial year				
Additions		8581	425,000,000.00	
Repayments		8591	68,508.73	
Impairments recorded		8601		
Impairments written back		8611		
Exchange rate differences	(+)/(-)	8621		
Other	(+)/(-)	8631	-138,600,000.00	
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		281	1,689,000,000.00	
ACCUMULATED WRITEDOWNS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8651		

		Codes	Financial year	Previous financial year
OTHER COMPANIES – SHAREHOLDINGS, STOCKS AND SHARE				
Acquisition value at the end of the financial year		8393P	xxxxxxxxxxxxx	**288.33**
Movements during the financial year				
Acquisitions		8363		
Disposals and withdrawals		8373		
Transfers from one heading to another	(+)/(-)	8383		
Acquisition value at the end of the financial year		8393	**288.33**	
Gains at the end of the financial year		8453P	xxxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8413		
Acquired from third parties		8423		
Cancelled		8433		
Transferred from one heading to another	(+)/(-)	8443		
Gains at the end of the financial year		8453		
Impairments at the end of the financial year		8523P	xxxxxxxxxxxxxxx	
Movements during the financial year				
Recorded		8473		
Writebacks		8483		
Acquired from third parties		8493		
Cancelled following disposals and withdrawals		8503		
Transferred from one heading to another	(+)/(-)	8513		
Impairments at the end of the financial year		8523		
Uncalled amounts at the end of the financial year		8553P	xxxxxxxxxxxx	
Movements during the financial year	(+)/(-)	8543		
Uncalled amounts at the end of the financial year		8553		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		284	**288.33**	
OTHER COMPANIES – RECEIVABLES				
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		285/8P	xxxxxxxxxxxxx	**9,900.00**
Movements during the financial year				
Additions		8583		
Repayments		8593		
Impairments recorded		8603		
Impairments written back		8613		
Exchange rate differences	(+)/(-)	8623		
Other	(+)/(-)	8633		
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR		285/8	**9,900.00**	
ACCUMULATED WRITEDOWNS ON RECEIVABLES AT THE END OF THE FINANCIAL YEAR		8653		

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CASH INVESTMENTS AND ASSET ACCRUALS

	Codes	Financial year	Previous financial year
OTHER CASH INVESTMENTS			
Stocks, shares and investments other than fixed-income investments	51	**101,777,802.14**	
Stocks and shares - Book value increased by the uncalled amount	8681	101,777,802.14	
Stocks and shares - Uncalled amount	8682		
Precious metals and works of art	8683		
Fixed income securities	52		
Fixed income securities issued by credit institutions	8684		
Term accounts held at credit institutions	53	**47,995,420.06**	**35,346,187.76**
With a residual term or with notice			
of a maximum one month	8686	40,995,420.06	32,346,187.76
of more than one month to a maximum one year	8687	7,000,000.00	3,000,000.00
of more than one year	8688		
Other cash investments not included above	8689	**2,342,966.90**	**2,768,443.13**

	Exercice
ACCRUALS	
Breakdown of the heading 490/1 of the assets if this represents a significant amount	
IT costs (support, licences, etc.)	2,702,683.41
Other (royalties, documentation, membership fees, etc.)	464,334.34
Reward plan	482,281.19
Rents and rental charges	22,680.13
Financial income not yet received	1,903,369.92

STATEMENT OF CAPITAL INPUT AND SHAREHOLDING STRUCTURE

	Codes	Financial year	Previous financial year
STATEMENT OF CAPITAL INPUT			
Capital input			
Available capital at the end of the financial year	110P	xxxxxxxxxxxx	438,960.00
Available capital at the end of the financial year	110	438,960.00	
Non-available capital at the end of the financial year	111P	xxxxxxxxxxxx	18,600.00
Non-available capital at the end of the financial year	111	18,600.00	
EQUITY CAPITAL BROUGHT IN BY SHAREHOLDERS			
In cash	8790		
of which not paid up	87901		
In kind	8791		
of which not paid up	87911		

	Codes	Amounts	Number of shares
Changes during the financial year			
Registered shares	8702	xxxxxxxxxxxxx	2,460
Dematerialised shares	8703	xxxxxxxxxxxxx	

	Codes	Financial year
Own shares		
Held by the company itself		
Number of corresponding shares	8722	
Held by subsidiaries		
Number of corresponding shares	8732	
Commitment to share issues		
Following the exercise of conversion rights		
Amount of outstanding convertible loans	8740	
Amount of capital input	8741	
Maximum number of corresponding shares to be issued	8742	
Following the exercise of subscription rights		
Number of current subscription rights	8745	
Amount of capital input	8746	
Maximum number of corresponding shares to be issued	8747	

	Codes	Financial year
Shares		
Distribution		
Number of shares	8761	2,460
Number of votes attached	8762	2,460
Breakdown by shareholder		
Number of shares held by the company itself	8771	
Number of shares held by the subsidiaries	8781	

	Financial year
Additional explanation relative to the capital input (including contributions in kind)	

SHAREHOLDER STRUCTURE OF THE COMPANY AT THE CLOSING DATE OF ITS ACCOUNTS

as resulting from the declarations received by the company pursuant to Article 7:225 of the Companies and Associations Code, Article 14, paragraph 4 of the Law of 2 May 2007 relating to the publication of major holdings or Article 5 of the Royal Decree of 21 August 2008 setting out the additional rules applicable to certain multilateral trading facilities,

NAME of the persons holding rights in the company, mentioning the ADDRESS (of the registered office for legal entities) and, for companies under Belgian law, the COMPANY NUMBER	Social rights held			
	Nature	Number of voting rights		%
		Attached to securities	Not linked to securities	
CENEO BE 0201.645.281 Boulevard Pierre Mayence 1 6000 Charleroi **BELGIUM**	Shares			99.72
FINEST BE 0257.864.701 Place de l'Hôtel de Ville 14 4700 Eupen **Belgium**	Shares			0.04
FINIMO BE 0257.884.101 Place du Marché 55 4800 Verviers **Belgium**	Shares			0.04
I.E.G. BE 0229.068.864 Rue de la Solidarité 80 7700 Mouscron **Belgium**	Shares			0.04
IDEFIN BE 0257.744.044 Avenue Sergent Vrithoff 2 5000 Namur **Belgium**	Shares			0.04
IPFBW BE 0206.041.757 Avenue Jean Monnet 2 1348 Louvain-la-Neuve **Belgium**	Shares			0.04
ORES Assets BE 0543.696.579 Avenue Jean Mermoz, 14 6041 Gosselies **Belgium**	Shares			0.04
SOFILUX BE 0257.857.969 Avenue de Houfflaize, 58B 6800 Libramont-Chevigny **Belgium**	Shares			0.04

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PROVISIONS FOR RISKS AND CHARGES

	Financial year
BREAKDOWN OF HEADING 164/5 OF LIABILITIES IF THESE REPRESENT A SIGNIFICANT VALUE	
Contractor disputes	327,925.00
Provision under the Excavated Soil Decree (WGD Excavated Soil)	1,931,400.03
Social disputes	1,839,637.14
Master Plan Management Platform - vectorisation	8,704,967.40
Termination of the IT services contract for the implementation of an information system for smart metering	3,718,179.85

STATEMENT OF LIABILITIES AND ACCRUALS

	Codes	Financial year
BREAKDOWN OF LIABILITIES ORIGINALLY DUE IN MORE THAN ONE YEAR, LISTED ACCORDING TO THEIR RESIDUAL TERM		
Long-term debts falling due within one year		
Financial debts	8801	138,600,000.00
Subordinated loans	8811	
Non-subordinated bond issues	8821	
Lease-financing debts and similar	8831	
Credit institutions	8841	138,600,000.00
Other borrowing	8851	
Trade debts	8861	
Suppliers	8871	
Notes payable	8881	
Pre-payments on orders	8891	
Other debts	8901	
Total debts after more than one year falling due within the year	42	**138,600,000.00**
Debts due after more than one year, but within a maximum of 5 years to run		
Financial debts	8802	
Subordinated loans	8812	424,400,000.00
Non-subordinated bond issues	8822	
Lease-financing debts and similar	8832	
Credit institutions	8842	
Other borrowing	8852	424,400,000.00
Trade debts	8862	
Suppliers	8872	
Notes payable	8882	
Pre-payments on orders	8892	
Other debts	8902	
Total debts after more than one year, but with a maximum of 5 years to run	8912	**424,400,000.00**
Debts with more than 5 years to run		
Financial debts	8803	1,264,600,000.00
Subordinated loans	8813	
Non-subordinated bond issues	8823	380,000,000.00
Lease-financing debts and similar	8833	
Credit institutions	8843	884,600,000.00
Other borrowing	8853	
Trade debts	8863	
Suppliers	8873	
Notes payable	8883	
Pre-payments on orders	8893	
Other debts	8903	
Total debts with more than 5 years to run	8913	**1,264,600,000.00**

	Codes	Financial year
SECURED DEBTS		
Debts secured by the Belgian authorities		
Financial debts	8921	
Subordinated loans	8931	
Non-subordinated bond issues	8941	
Lease-financing debts and similar	8951	
Credit institutions	8961	
Other borrowing	8971	
Trade debts	8981	
Suppliers	8991	
Notes payable	9001	
Pre-payments on orders	9011	
Payroll and social debts	9021	
Other debts	9051	
Total debts secured by the Belgian authorities	9061	

	Codes	Financial year
Debts secured by security interests created or irrevocably promised over the company's assets		
Financial debts	8922	
Subordinated borrowing	8932	
Non-subordinated bond issues	8942	
Lease-financing debts and similar	8952	
Credit institutions	8962	
Other borrowing	8972	
Trade debts	8982	
Suppliers	8992	
Notes payable	9002	
Pre-payments on orders	9012	
Payroll and social debts	9022	
Taxes	9032	
Remuneration and social charges	9042	
Other debts	9052	
Total debts secured by real securities given or irrevocably promised on the company's assets	9062	

	Codes	Financial year
TAX, PAYROLL AND SOCIAL DEBTS		
Taxes		
Overdue tax debts	9072	
Non-overdue tax debts	9073	14,897,035.50
Estimated tax debts	450	1,161,620.24
Remuneration and social charges		
Debts overdue to the National Office of Social Security	9076	
Other payroll and social debts	9077	46,991,674.18

	Financial year
ACCRUALS	
Breakdown of heading 492/3 of the liabilities if these represent a significant amount	
Transit fees not raised	8,072,645.72
Provisions linked to staffing	5,153,826.86
Miscellaneous administrative costs	42,046.23

OPERATING RESULTS

	Codes	Financial year	Previous financial year
OPERATING INCOME			
Net turnover			
Breakdown by category of business			
Network manager		584,466,912.07	562,123,766.80
Breakdown by geographical market			
Belgium		584,466,912.07	562,123,766.80
Other operating income			
Operating subsidies and compensatory amounts obtained from public authorities	740		
OPERATING COSTS			
Workers for whom the company lodged a DIMONA declaration or who are registered on the General Personnel Register			
Total number on the closing date	9086	2,468	2,456
Average number of employees in full-time equivalent employment	9087	2,445	2,439
Number of hours actually worked	9088	3,548,708	3,601,702
Staffing costs			
Remunerations and direct social benefits	620	153,559,390.65	156,096,131.47
Employer social insurance contributions	621	38,288,490.44	38,428,901.71
Employer premiums for extra statutory insurance	622	12,391,032.67	10,051,718.58
Other staffing costs	623	11,656,133.02	10,436,495.95
Retirement and survivor pensions	624	17,654.38	
Provisions for pensions and similar obligations			
Allocations (usage and writebacks) (+)/(-)	635		
Writedowns			
On stock and orders in progress			
Recorded	9110	3,676,495.42	
Writebacks	9111		
On Trade Debtors			
Recorded	9112	41,176.63	28,648.67
Writebacks	9113	23,360.28	10,102.67
Provisions for risks and charges			
Constitution	9115	3,986,891.53	12,331,120.27
Usage and writebacks	9116	4,836,134.58	7,656,262.99
Other operating expenses			
Taxes relating to operations	640	995,179.88	97,194.70
Other	641/8	100,962.77	16,242.58
Temporary staff and persons made available to the company			
Total number on the closing date	9096	25	16
Average number of full-time equivalent employees	9097	25	16
Number of hours actually worked	9098	47,307	27,831
Cost to the company	617	1,604,321.99	1,150,349.48

FINANCIAL RESULTS

	Codes	Financial year	Previous financial year
RECURRENT FINANCIAL INCOME			
Other financial income			
Subsidies granted by public authorities and charged to the profit-and-loss account			
Subsidies in capital	9125	48,912.55	42,094.26
Subsidies in interest	9126		
Breakdown of other financial income			
Exchange differences realised	754		
Other			
Capital gain in realisation of current assets excluding trade receivables)		42,450.77	38,739.28
Hedging instruments		1,903,369.92	
Payment differencies		254.23	5.32
RECURRENT FINANCIAL EXPENSES			
Depreciation of loan issue costs	6501		
Capitalised interest	6502		
Impairments of current assets			
Recorded	6510		
Written back	6511		
Other financial expenses			
Amount of discount payable by the company on the trading of receivables	653		
Financial provisions			
Allocations	6560		
Uses and recoveries	6561		
Breakdown of other financial expenses			
Exchange differences realised	654	374.28	80.85
Currency conversion differences	655		
Other			
Losses on realisation of curreent assets		238,388.44	52,416.09
Miscellaneous financial expenses - bank charges		46,229.43	9,375.61
Commission for non-drawdown on credit facilities		175,314.15	45,191.67
Other miscellaneous financial expenses		310,077.97	188,268.70

INCOME AND EXPENDITURE OF AN UNUSUAL SIZE OR IMPACT

		Codes	Financial year	Previous financial year
NON-RECURRENT INCOME		76		
Non-recurrent operating income		76A		
Adjustments to depreciation and writedowns on intangible and tangible fixed assets		760		
Writebacks of provisions for extraordinary risks and operating expenses		7620		
Capital gains on the disposal of intangible and tangible fixed assets		7630		
Other non-recurrent operating income		764/8		
Non-recurrent operating financial income		76B		
Writebacks on financial fixed assets		761		
Writebacks of provisions for extraordinary risks and financial expenses		7621		
Capital gains on the disposal of financial fixed assets		7631		
Other non-recurrent financial income		769		
NON-RECURRENT EXPENSES		66		**4,322,156.10**
Non-recurrent operating expenses		66A		**4,322,156.10**
Depreciation and non-recurrent writedowns on set-up costs, on intangible and tangible fixed assets		660		
Provisions for extraordinary operating risks and expenses : allocations (usage)	(+)/(-)	6620		
Capital loss on the disposal of intangible and tangible fixed assets		6630		4,322,156.10
Other non-recurrent operating expenses		664/7		
Non-recurrent operating expenses recorded in the assets as restructuring costs	(-)	6690		
Non-recurrent financial expenses		66B		
Impairments on financial fixed assets		661		
Provisions for non-recurrent financial risks and expenses: allocations (usage)	(+)/(-)	6621		
Capital loss on disposal of financial fixed assets		6631		
Other non-recurrent financial expenses		668		
Non-recurrent financial expenses recorded in the assets as restructuring costs	(-)	6691		

DUTIES AND TAXES

	Codes	Financial year
TAX ON INCOME		
Tax on the result for the financial year	9134	**5,175,462.96**
Taxes and withholding taxes due or paid	9135	4,013,842.72
Surplus of the payment of tax or withholding tax recorded in the assets	9136	
Estimated additional taxes	9137	1,161,620.24
Tax on the result from previous financial years	9138	**8,067,246.50**
Additional tax due or paid	9139	8,067,246.50
Additional tax estimated or set aside	9140	
Main source of disparity between the profit before tax, expressed in the accounts and the estimated taxable profit		
Inadmissible expenses		24,128,160.39
Deduction for investment		-118,814.19
Exempted donations		-64,128.51
Movements from taxed reserves		-3,298,736.72

	Financial year
Effect of non-recurrent results on the amount of tax on income for the financial year	

	Codes	Financial year
Sources of deferred taxes		
Asset deferrals	9141	
Accumulated tax losses, deductible from subsequent taxable profits	9142	
Other active deferrals		
Liability deferrals	9144	
Breakdown of liability deferrals		

	Codes	Financial year	Previous financial year
VALUE ADDED TAX AND TAXES PAYABLE BY THIRD PARTIES			
Value added tax recorded			
To the company (deductible)	9145	81,261,469.10	80,538,019.15
By the company	9146	105,373,752.46	99,865,834.95
Amounts retained on behalf of third parties for			
Payroll tax	9147	40,279,294.67	40,394,318.13
Withholding tax	9148	13,842.72	12,178.74

OFF BALANCE SHEET RIGHTS AND COMMITMENTS

	Codes	Financial year
PERSONAL GUARANTEES GIVEN OR IRREVOCABLY PROMISED BY THE COMPANY AS SURETY FOR THIRD PARTY DEBTS OR COMMITMENTS	9149	
Of which		
Outstanding commercial papers endorsed by the company	9150	
Outstanding commercial papers drawn or guaranteed by the company	9151	
Maximum amount for which other third party commitments are guaranteed by the company	9153	
REAL GUARANTEES		
Real guarantees given or irrevocably promised by the company on its own assets as security for the company's debts and commitments		
Mortgages		
Book value of mortgaged properties	91611	
Amount of registration	91621	
For irrevocable mandates to mortgage, the amount for which the agent is authorised to register under the mandate	91631	
Pledges on goodwill		
The maximum amount for which the debt is guaranteed and which is the subject of the registration	91711	
For irrevocable mandates to pledge, the amount for which the agent is authorised to proceed to register under the mandate	91721	
Pledges on other assets or irrevocable mandates to pledge other assets		
The book value of the encumbered assets	91811	
The maximum amount for which the debt is guaranteed	91821	
Sureties established or irrevocably promised on future assets		
Amount of the assets in question	91911	
The maximum amount for which the debt is guaranteed	91921	
Vendor's lien		
Book value of the asset sold	92011	
Amount of the price not paid	92021	
Real guarantees given or irrevocably promised by the company on its own assets as security for third party debts and commitments		
Mortgages		
Book value of mortgaged properties	91612	
Amount of registration	91622	
For irrevocable mandates to mortgage, the amount for which the agent is authorised to register under the mandate	91632	
Pledges on goodwill		
The maximum amount for which the debt is guaranteed and which is the subject of the registration	91712	
For irrevocable mandates to pledge, the amount for which the agent is authorised to proceed to register under the mandate	91722	
Pledges on other assets or irrevocable mandates to pledge other assets		
The book value of the encumbered assets	91812	
The maximum amount for which the debt is guaranteed	91822	
Sureties established or irrevocably promised on future assets		
Amount of the assets in question	91912	
The maximum amount for which the debt is guaranteed	91922	
Vendor's lien		
Book value of the asset sold	92012	
Amount of the price not paid	92022	
GOODS AND VALUES HELD BY THIRD PARTIES IN THEIR OWN NAMES BUT FOR THE RISK AND PROFIT OF THE COMPANY IF NOT RECORDED IN THE BALANCE SHEET		

2 ANNUAL FINANCIAL STATEMENTS

	Codes	Financial year
SIGNIFICANT COMMITMENTS FOR THE ACQUISITION OF FIXED ASSETS		
SIGNIFICANT COMMITMENTS FOR THE DISPOSAL OF FIXED ASSETS		
FUTURES MARKET		
Goods purchased (to be received)	9213	
Goods sold (to be delivered)	9214	
Currency purchased (to be received)	9215	
Currency sold (to be delivered)	9216	

	Financial year
COMMITMENTS RESULTING FROM TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES ALREADY PERFORMED	

	Financial year
AMOUNT, NATURE AND FORM OF DISPUTES AND OTHER SIGNIFICANT COMMITMENTS	
Guarantee from ORES Assets relating to bank loans and bonds	2,435,000,000.00
Sureties received as part of public contracts	31,640,295.28
Reward Plan	2,408,174.23

SUPPLEMENTARY RETIREMENT OR SURVIVOR PENSION SCHEMES ESTABLISHED FOR THE BENEFIT OF STAFF OR COMPANY OFFICERS

Brief description

Outsourcing of supplementary pensions via allocations to pension funds.

Outsourcing of supplementary pensions via allocations to pension funds.

Measures talen to cover the expense

Regular payments I nto the pernsion funds in question.

Direct payment by the profit-and-loss account for benefits.

	Codes	Financial year
PENSIONS THAT ARE THE RESPONSIBILITY OF THE COMPANY ITSELF		
Estimated amounts of commitments resulting from services already provided	9220	
Basis and method used for this estimate		

	Financial year
NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS OCCURRING AFTER THE CLOSING DATE NOT TAKEN INTO ACCOUNT IN THE BALANCE SHEET OR IN THE PROFIT-AND-LOSS ACCOUNT	
The conflict in Ukraine that started at the beginning of February could have numerous effects on the Group. These effects may be financial - in the wake of the increases linked to the price of energy or the failure of some energy providers (see the macroeconomic and cyclical risks), technical - on the DSO's business itself, in particular with the risks relating to the continuity of supply, and IT-related, with the increase in cybersecurity risks. However, this war may also provide an opportunity to speed up the development of renewables, in particular "new gases" and biomethane.	

PURCHASE OR SALE COMMITMENTS INCUMBENT ON THE COMPANY AS THE ISSUER OF SALES OR PURCHASE OPTIONS

Financial year

NATURE, COMMERCIAL PURPOSE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT RECORDED ON THE BALANCE SHEET

Provided that the risks or benefits resulting from such arrangements are significant and insofar as the disclosure of the risks or benefits is necessary to assess the financial situation of the company

Financial year

OTHER OFF-BALANCE SHEET RIGHTS AND COMMITMENTS (INCLUDING THOSE NOT LIKELY TO BE QUANTIFIED)

Financial year

2 ANNUAL FINANCIAL STATEMENTS

RELATIONSHIPS WITH AFFILIATED COMPANIES, ASSOCIATED COMPANIES AND OTHER COMPANIES WITH WHICH THERE IS A SHAREHOLDING CONNECTION

	Codes	Financial year	Previous financial year
AFFILIATED COMPANIES			
Financial Fixed Assets	280/1	**1,689,000,000.00**	**1,402,668,508.73**
Holdings	280		
Subordinated debt	9271		
Other receivables	9281	1,689,000,000.00	1,402,668,508.73
Receivables	9291	**197,382,727.26**	**345,279,263.92**
After one year	9301		
Within one year	9311	197,382,727.26	345,279,263.92
Cash investments	9321		
Debts	9331		
Shares	9341		
Receivables	9351	**162,124,941.32**	**26,253,573.34**
After one year	9361		
Within one year	9371	162,124,941.32	26,253,573.34
Personal and real guarantees			
Established or irrevocably promised by the company as surety for the debts or commitments of affiliated companies	9381		
Established or irrevocably promised by affiliated companies as surety for the debts or commitments of the company	9391		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		
Income from current assets	9431	25,044,711.14	29,708,608.89
Other financial income	9441		
Debt charges	9461		
Other financial expenses	9471		
Disposals of fixed assets			
Capital gains realised	9481		
Impairments realised	9491		
ASSOCIATED COMPANIES			
Financial Fixed Assets	9253		
Holdings	9263		
Subordinated debt	9273		
Other receivables	9283		
Receivables	9293		
After one year	9303		
Within one year	9313		
Debts	9353		
After one year	9363		
Within one year	9373		
Personal and real guarantees			
Established or irrevocably promised by the company as a guarantee against associated company debts or commitments	9383		
Established or irrevocably promised by associated companies as a guarantee against the company's debts or commitments	9393		
Other significant financial commitments	9403		
OTHER COMPANIES WITH A SHAREHOLDING CONNECTION			
Financial Fixed Assets	9252		
Holdings	9262		
Subordinated debt	9272		
Other receivables	9282		
Receivables	9292		
After one year	9302		
Within one year	9312		
Debts	9352		
After one year	9362		
Within one year	9372		

TRANSACTIONS WITH RELATED PARTIES OUTSIDE OF NORMAL MARKET CONDITIONS

Mentioning such transactions, if they are significant, including the amount and indication of the nature of the relationship with the related party, as well as all other information about the transactions that would be needed in order to gain a better understanding of the company's financial position.

Financial year

FINANCIAL RELATIONSHIPS WITH

	Codes	Financial year
DIRECTORS AND MANAGERS, NATURAL PERSONS OR LEGAL ENTITIES WHO DIRECTLY OR INDIRECTLY CONTROL THE COMPANY WITHOUT BEING LINKED TO IT OR OTHER COMPANIES DIRECTLY OR INDIRECTLY CONTROLLED BY SUCH PERSONS		
Amounts receivable from the aforementioned persons	9500	
Main conditions for the receivables, interest rate, term, amounts potentially repaid, cancelled or for which this has been waived		
Guarantees provided in their favour	9501	
Other significant commitments undertaken in their favour	9502	
Direct and indirect remuneration and pensions attributed, charged to the profit-and-loss account, as long as this reference does not relate exclusively or principally to the situation of a single identifiable person		
To directors and managers	9503	103,699.61
To former directors and former managers	9504	

	Codes	Financial year
THE AUDITOR(S) AND PEOPLE WITH WHOM HE IS (THEY ARE) LINKED		
Auditor(s) fees	9505	**6,000.00**
Fees for exceptional services or special assignments conducted within the company by the auditor(s)		
Other auditing work	95061	6,680.00
Tax advice	95062	
Other external assignments in connection with auditing	95063	
Fees for exceptional services or special assignments realised within the company by persons with whom the auditor(s) is (are) linked		
Other auditing work	95081	
Tax advice services	95082	
Other external services in connection to auditing	95083	

Statements pursuant to articles 3:64 §2 and §4 of the Code of Companies and Associations

DERIVED FINANCIAL INSTRUMENTS NOT ASSESSED AT FAIR VALUE
For each category of derived financial instruments not assessed at fair value

				Financial year		Previous financial yuear	
Category of derived financial instruments	Risk hedged	Speculation / hedge	Volume	Book value	Fair value	Book value	Fair value
SWAP	Interest rate	Hedge	120,000		-2,867,379		-5,249,730
CAP	Interest rate	Hedge	30,000		8,959		3,088
SWAP	Inflation	Hedge	100,000		3,688,553		

	Book value	Fair value
Financial fixed assets recorded at an amount greater than the fair value		
Amounts of assets taken in isolation or grouped suitably		
Reasons why the book value has not been reduced		
Elements that allow it to be assumed that the book value will be recovered		

DECLARATION REGARDING CONSOLIDATED ACCOUNTS

Information to be completed by companies subject to the provisions of the Code of Companies and Associations regarding consolidated accounts

Informations to be completed by the company if it is a subsidiary or joint subsidiary

Name and full address of the registered office and, if it is a company incorporated under Belgian law, company number(s) of the parent company(ies) and if this (these) parent company(ies) draw(s) up and publish(es) consolidated accounts in which its (their) annual accounts are integrated by consolidation*:

ORES Assets
Consolidating parent company - Largest group
BE 0543.696.579
Avenue Jean Mermoz 14
6041 Gosselies
Belgium

* If the company's accounts are consolidated on several levels, the information is provided, on the one hand, for the largest group and, on the other, for the smallest group of companies of which the company is part as a subsidiary and for which consolidated accounts are drawn up and published.

SOCIAL BALANCE SHEET

Numbers of the joint representation committees under which the company operates: 326

BREAKDOWN OF PERSONS EMPLOYED

WORKERS FOR WHOM THE COMPANY HAS LODGED A DIMONA RETURN OR WHO ARE ENTERED IN THE GENERAL STAFF REGISTER

During the financial year	Codes	Total	1. Male	2. Female
Average number of workers				
Full-time	1001	2,368	1,660	708
Part-time	1002	101	13	88
Total Full-Time Equivalents (FTE)	1003	2,447	1,670	777
Number of hours actually worked				
Full-time	1011	3,440,355	2,454,369	985,986
Part-time	1012	108,352	12,770	95,582
Total	1013	3,548,707	2,467,139	1,081,568
Staff overheads				
Full-time	1021	207,975,697.20	154,010,046.45	53,965,650.75
Part-time	1022	7,919,349.58	1,229,235.35	6,690,114.23
Total	1023	215,895,046.78	155,239,281.80	60,655,764.98
Amount of benefits awarded in addition to salary	1033			

During the previous financial year	Codes	P. Total	1P. Male	2P. Female
Average number of FTE workers	1003	2,438	1,663	775
Number of hours actually worked	1013	3,601,701	2,509,604	1,092,097
Staff overheads	1023	215,043,632	155,168,033	59,875,599
Amount of benefits awarded in addition to salary	1033			

2 ANNUAL FINANCIAL STATEMENTS

WORKERS FOR WHOM THE COMPANY HAS LODGED A DIMONA RETURN OR WHO ARE ENTERED IN THE GENERAL STAFF REGISTER (CONTINUED)

At the end of the financial year	Codes	1. Full-time	2. Part-time	3. Total Full-Time Equivalents
Number of workers	105	2,362	106	2,445
By type of employment contract				
Open-ended contract	110	2,219	105	2,301
Fixed-term contract	111	143	1	144
Contract to carry out a specific assignment	112			
Replacement contract	113			
By gender and level of education				
Male	120	1,652	15	1,663
primary	1200	447	4	450
secondary	1201	770	6	774
higher non-university	1202	287	4	290
university	1203	148	1	149
Female	121	710	91	782
primary	1210	150	20	166
secondary	1211	168	23	186
higher non-university	1212	310	41	342
university	1213	82	7	88
By occupation category				
Management	130	280	8	287
White-collar employees	134	2,082	98	2,158
Blue-collar workers	132			
Other	133			

TEMPORARY STAFF AND PERSONS MADE AVAILABLE TO THE COMPANY

During the financial year	Codes	1. Temporary staff	2. Persons made available to the company
Average number of persons employed	150	21	4
Number of hours actually wrked	151	41,026	6,281
Costs for the company	152	1,061,749.43	542,572.56

TABLE OF STAFF MOVEMENTS DURING THE FINANCIAL YEAR

INCOMING	Codes	1. Full-time	2. Part-time	3. Total Full-Time Equivalents
Number of workers for whom the company has lodged a DIMONA return or who were entered in the general staff register during the financial year	205	124	18	138
By type of employment contract				
Open-ended contract	210	20	17	33
Fixed-term contract	211	104	1	105
Contract to carry out a specific assignment	212			
Replacement contract	213			

OUTGOING	Codes	1. Full-time	2. Part-time	3. Total Full-Time Equivalents
Number of workers whose contract end date was registered in a DIMONA return or in the general staff register during the financial year	305	126	4	129
By type of employment contract				
Open-ended contract	310	77	4	80
Fixed-term contract	311	49		49
Contract to carry out a specific assignment	312			
Replacement contract	313			
By reason for end of cobtract				
Retirement	340	33	2	34
Redundancy with company supplement	341	6		6
Dismissal	342	13		13
Other reason	343	74	2	76
Including: the number of persons who continue, at least part-time, to provide services for the benefit of the company as self-employed workers	350			

INFORMATION ABOUT TRAINING COURSES FOR WORKERS DURING THE FINANCIAL YEAR

	Codes	Male	Codes	Female
Formal continuing vocational training initiatives at the expense of the employer				
Number of workers in question	5801	1,416	5811	762
Number of training hours	5802	35,379	5812	8,677
Net cost for the company	5803	7,119,469.06	5813	2,184,773.67
of which the gross cost is linked directly to training	58031	7,119,469.06	58131	2,184,773.67
of which contributions paid and payments to collective funds	58032		58132	
of which subsidies and other financial benefits received (to be deducted)	58033		58133	
Less formal or informal continuing vocational training initiatives at the expense of the employer				
Number of workers in question	5821	429	5831	200
Number of training hours	5822	14,735	5832	1,077
Net cost for the company	5823	458,443.87	5833	81,867.31
Initial vocational training initiatives at the expense of the employer				
Number of workers in question	5841		5851	
Number of training hours	5842		5852	
Net cost for the company	5843		5853	

2 ANNUAL FINANCIAL STATEMENTS

2.5. Valuation rules

ASSETS

SET-UP COSTS

Included under this heading are costs associated with the incorporation, development or restructuring of the company, such as the charges for incorporation of increase in capital and the fees for issuing loans. The depreciation of set-up costs must company with article 3:37 of the Royal Decree of 29 April 2019 stipulating that set-up costs are the subject of appropriate depreciation, in annual tranches of 20% of at least the actual sums disbursed.

The fees for issuing loans are accounted for under this heading and depreciated within the year.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are intangible means of production. They represent fixed assets due to the fact that the company wishes to use them as operating resources. In other words, they imply an operating capability of limited or unlimited duration.

Pursuant to the Royal Decree of 29 April 2019 (article 3:89), a distinction must be made between:

- development costs;
- concessions, patents and licences, know-how, brands and other similar rights;
- goodwill;
- advances paid on intangible fixed assets.

Intangible fixed assets are recorded in the accounts if and only if it is probable that future economic benefits attributable to the asset will go to the company and if the cost of that asset can be valued in a reliable manner. Intangible fixed assets are valued initially at cost. The cost of an intangible fixed asset generated internally includes all costs attributable directly to it and is equal to the sum of the expenses incurred from the date on which this intangible fixed asset meets the accounting criteria in accordance with Belgian standards.

After they have been recorded in the accounts initially, intangible fixed assets are entered at cost, minus accumulated depreciations and accumulated impairment losses. Intangible fixed assets are immobilisations then depreciated using the linear method during the estimated period during which the fixed asset is used (set at 5 years).

ORES has taken the option to activate development costs under intangible fixed assets. Those development costs eligible to be placed in the assets under intangible fixed assets are the costs of manufacturing and developing prototypes, products, inventions and expertise of value for the future activities of the company.

In this context, the following expenses have been activated:

- staffing expenses relating to researchers, technicians and other support staff, provided they have been allocated to carry out a project that meets the definition above;
- the cost of instruments and hardware to the extent that and for as long as they are used for the completion of the project. If they are not used throughout their service life for the completion of the project, only the depreciation costs corresponding to the lifespan of the project will then be admissible;
- the costs for the services of consultants and equivalent services used for the completion of the project;
- other operating costs, in particular the cost of materials, supplies and similar products incurred directly on account of the completion of the project.

The intangible fixed asset from the activity incurring development costs is then depreciated using the linear method (set at 5 years) and reduced by any writedowns.

TANGIBLE FIXED ASSETS

Financial fixed assets are recorded at their acquisition value, minus the part not called up.

At the end of each financial year, an individual valuation of each portfolio security is carried out in such a way as to reflect, as satisfactorily as possible, the position, profitability and prospects of the company in which the holding or shares are held.

RECEIVABLES DUE IN MORE THAN ONE YEAR

Receivables due in more than one year are recorded at their book value.

INVENTORIES

Inventories are valued at the weighted average price. A write-down is recorded when the economic value of the inventory is less than its book value. In this respect, additional flat-rate writedowns are recorded to adjust the book value, taking into account different age categories, stock rotation and possible market trends. The reduction rates can vary from 0% to 100%.

RECEIVABLES DUE WITHIN ONE YEAR

Receivables due within one year are accounted for at their book value.

Unpaid receivables are covered by impairments when there is a certain risk that they will not be recovered.

CASH INVESTMENTS

Cash investments are accounted for under balance sheet assets at their book value, excluding associated expenses, or at their input value.

Cash investments are accounted for under balance sheet assets at their book value.

LIQUID ASSETS

Liquid assets are accounted for under balance sheet assets at their book value.

ASSET ACCRUALS

Expenses incurred during the financial year, but chargeable in full or in part to one or more previous financial years, are valued using a proportional rule.

Income or fractions of income which are only paid during one or more of the following financial years but which are to be associated with the financial year in question are evaluated at the amount of the proportion relating to the financial year in question.

LIABILITIES

UNTAXED RESERVES

This item includes capital gains and profits whose untaxed status is subject to them being kept as the company's assets.

PROVISIONS AND DEFERRED TAXES

At the end of each financial year, applying caution, sincerity and good faith when coming to its decision, the Board of Directors looks at the provisions to be set aside to cover all the expected risks or any losses arising during this and previous years. The provisions relating to the previous financial years are regularly reviewed and the Board of Directors decides on their allocation or purpose.

DEBTS DUE IN MORE THAN ONE YEAR

Debts due in more than one year are recorded under liabilities in the balance sheet at their book value.

LIABILITY ACCRUALS

Expenses or fractions of the expenses relating to the financial year but which will only be paid during a subsequent financial year are valued at the amount attributable to the financial year.

Income received during the financial year, which is attributable in full or in part to a subsequent financial year, is also valued at the amount that must be regarded as income for the next financial year.

IV

AUDITORS' REPORT

ORES SC

Rapport du commissaire

31 décembre 2021

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

ORES SC

RAPPORT DU COMMISSAIRE À L'ASSEMBLÉE GÉNÉRALE DE LA SOCIÉTÉ POUR L'EXERCICE CLOS LE 31 DÉCEMBRE 2021

(COMPTES ANNUELS)

Dans le cadre du contrôle légal des comptes annuels de la ORES SC (la « Société »), nous vous présentons notre rapport du commissaire. Celui-ci inclut notre rapport sur les comptes annuels ainsi que les autres obligations légales et réglementaires. Le tout constitue un ensemble et est inséparable.

Nous avons été nommés en tant que commissaire par l'assemblée générale du 29 mai 2019, conformément à la proposition de l'organe d'administration émise sur recommandation du comité d'audit et sur présentation du conseil d'entreprise. Notre mandat de commissaire vient à échéance à la date de l'assemblée générale délibérant sur les comptes annuels clôturés au 31 décembre 2021. Nous avons exercé le contrôle légal des comptes annuels de ORES durant 9 exercices consécutifs.

RAPPORT SUR LES COMPTES ANNUELS

Opinion sans réserve

Nous avons procédé au contrôle légal des comptes annuels de la Société, comprenant le bilan au 31 décembre 2021, ainsi que le compte de résultats pour l'exercice clos à cette date et l'annexe, dont le total du bilan s'élève à € 2.172.415.479 et dont le compte de résultats se solde par un résultat de l'exercice de € 0.

À notre avis, ces comptes annuels donnent une image fidèle du patrimoine et de la situation financière de la Société au 31 décembre 2021, ainsi que de ses résultats pour l'exercice clos à cette date, conformément au référentiel comptable applicable en Belgique.

Fondement de l'opinion sans réserve

Nous avons effectué notre audit selon les Normes internationales d'audit (ISA) telles qu'applicables en Belgique. Les responsabilités qui nous incombent en vertu de ces normes sont plus amplement décrites dans la section « Responsabilités du commissaire relatives à l'audit des comptes annuels » du présent rapport. Nous nous sommes conformés à toutes les exigences déontologiques qui s'appliquent à l'audit des comptes annuels en Belgique, en ce compris celles concernant l'indépendance.

Nous avons obtenu de l'organe d'administration et des préposés de la Société, les explications et informations requises pour notre audit.

Nous estimons que les éléments probants que nous avons recueillis sont suffisants et appropriés pour fonder notre opinion.

Points clés de l'audit

Les points clés de l'audit sont les points qui, selon notre jugement professionnel, ont été les plus importants lors de l'audit des comptes annuels de la période en cours. Ces points ont été traités dans le contexte de notre audit des comptes annuels pris dans leur ensemble et lors de la formation de notre opinion sur ceux-ci. Nous n'exprimons pas une opinion distincte sur ces points.

AUDIT | TAX | CONSULTING

RSM Belgium is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM Network. Each member of the RSM network is an independent accounting and consulting firm which practices in his own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM InterAudit SRL - Réviseurs d'entreprises - Siège social : Chaussée de Waterloo 1151 - B 1180 Bruxelles
audit@rsmbelgium.be - TVA BE 0436.391.122 - RPM Bruxelles

Member of **RSM Toelen Cats Dupont Koevoets -** Offices in Aalst, Antwerp, Brussels, Charleroi, Mons and Zaventem

Nous considérons que les éléments suivants constituent les points clés de l'audit :

- Les investissements technologiques dans les développements IT : pour faire face aux défis du futurs et à la mise en place (notamment) des compteurs intelligents, la société investit des montants importants dans différents projets IT. Ces dépenses ont fait l'objet d'une attention particulière dans le cadre de nos travaux d'audit ;
- La politique de financement du groupe : tenant compte des investissements importants que le groupe ORES doit réaliser, le financement de ceux-ci est essentiel pour l'activité de la société d'autant plus qu'une partie significative des capitaux empruntés proviennent de marchés règlementés ;
- L'environnement régulatoire et l'application de législations spécifiques : le respect de ces différentes législations constitue naturellement un élément majeur de notre audit.

Responsabilités de l'organe d'administration relatives à l'établissement des comptes annuels

L'organe d'administration est responsable de l'établissement des comptes annuels donnant une image fidèle conformément au référentiel comptable applicable en Belgique, ainsi que du contrôle interne qu'il estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à l'organe d'administration d'évaluer la capacité de la Société à poursuivre son exploitation, de fournir, le cas échéant, des informations relatives à la continuité d'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si l'organe d'administration a l'intention de mettre la Société en liquidation ou de cesser ses activités ou s'il ne peut envisager une autre solution alternative réaliste.

Responsabilités du commissaire relatives à l'audit des comptes annuels

Nos objectifs sont d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, et d'émettre un rapport du commissaire contenant notre opinion. L'assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément aux normes ISA permettra de toujours détecter toute anomalie significative existante. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsqu'il est raisonnable de s'attendre à ce que, prises individuellement ou en cumulé, elles puissent influencer les décisions économiques que les utilisateurs des comptes annuels prennent en se fondant sur ceux-ci.

Lors de l'exécution de notre contrôle, nous respectons le cadre légal, réglementaire et normatif qui s'applique à l'audit des comptes annuels en Belgique. L'étendue du contrôle légal des comptes ne comprend pas d'assurance quant à la viabilité future de la Société ni quant à l'efficience ou l'efficacité avec laquelle l'organe d'administration a mené ou mènera les affaires de la Société. Nos responsabilités relatives à l'application par l'organe d'administration du principe comptable de continuité d'exploitation sont décrites ci-après.

Dans le cadre d'un audit réalisé conformément aux normes ISA et tout au long de celui-ci, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique. En outre :

- ► nous identifions et évaluons les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définissons et mettons en œuvre des procédures d'audit en réponse à ces risques, et recueillons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne;

- ► nous prenons connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, mais non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de la Société;
- ► nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par l'organe d'administration, de même que des informations les concernant fournies par ce dernier;
- ► nous concluons quant au caractère approprié de l'application par l'organe d'administration du principe comptable de continuité d'exploitation et, selon les éléments probants recueillis, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité de la Société à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport du commissaire sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants recueillis jusqu'à la date de notre rapport du commissaire. Cependant, des situations ou événements futurs pourraient conduire la Société à cesser son exploitation;
- ► nous apprécions la présentation d'ensemble, la structure et le contenu des comptes annuels et évaluons si les comptes annuels reflètent les opérations et événements sous-jacents d'une manière telle qu'ils en donnent une image fidèle.

Nous communiquons au comité d'audit notamment l'étendue des travaux d'audit et le calendrier de réalisation prévus, ainsi que les constatations importantes relevées lors de notre audit, y compris toute faiblesse significative dans le contrôle interne.

Nous fournissons également au comité d'audit une déclaration précisant que nous nous sommes conformés aux règles déontologiques pertinentes concernant l'indépendance, et leur communiquons le cas échéant, toutes les relations et les autres facteurs qui peuvent raisonnablement être considérés comme susceptibles d'avoir une incidence sur notre indépendance ainsi que les éventuelles mesures de sauvegarde y relatives.

Parmi les points communiqués au comité d'audit, nous déterminons les points qui ont été les plus importants lors de l'audit des comptes annuels de la période en cours, qui sont de ce fait les points clés de l'audit. Nous décrivons ces points dans notre rapport du commissaire, sauf si la loi ou la réglementation n'en interdit la publication ou si, dans des circonstances extrêment rares, nous déterminons que nous ne devrions pas communiquer un point dans notre rapport du commissaire parce que les conséquences néfastes raisonnablement attendues de la communication de ce point dépassent les avantages qu'elle aurait au regard de l'intérêt public.

AUTRES OBLIGATIONS LÉGALES ET RÉGLEMENTAIRES

Responsabilités de l'organe d'administration

L'organe d'administration est responsable de la préparation et du contenu du rapport de gestion, des documents à déposer conformément aux dispositions légales et réglementaires, du respect des dispositions légales et réglementaires applicables à la tenue de la comptabilité ainsi que du respect du Code des Sociétés et des Associations et des Statuts de la Société.

Responsabilités du commissaire

Dans le cadre de notre mission et conformément à la norme belge complémentaire (version révisée 2020) aux normes internationales d'audit (ISA) applicables en Belgique, notre responsabilité est de vérifier, dans ses leurs aspects significatifs, le rapport de gestion, certains documents à déposer conformément aux dispositions légales et réglementaires, et le respect de certaines dispositions du Code des Sociétés et des Associations et des Statuts, ainsi que de faire rapport sur ces éléments.

Aspects relatifs au rapport de gestion

A l'issue des vérifications spécifiques sur le rapport de gestion, nous sommes d'avis que celui-ci concorde avec les comptes annuels pour le même exercice et a été établi conformément aux articles 3:5 et 3:6 du Code des Sociétés et des Associations.

Dans le cadre de notre audit des comptes annuels, nous devons également apprécier, en particulier sur la base de notre connaissance acquise lors de l'audit, si le rapport de gestion comporte une anomalie significative, à savoir une information incorrectement formulée ou autrement trompeuse. Sur la base de ces travaux, nous n'avons pas d'anomalie significative à vous communiquer.

Mention relative au bilan social

Le bilan social, à déposer à la Banque nationale de Belgique conformément à l'article 3:12, § 1er, 8° du Code des Sociétés et des Associations, traite, tant au niveau de la forme qu'au niveau du contenu, des mentions requises par ce Code, en ce compris celles concernant l'information relative aux salaires et aux formations, et ne comprend pas d'incohérences significatives par rapport aux informations dont nous disposons dans le cadre de notre mission.

Mention relative aux documents à déposer conformément à l'article 3 :12, § 1, 9° du code des sociétés et des associations

Les documents suivants, à déposer à la banque nationale de Belgique conformément à l'article 3 :12, § 1, 9° du code des sociétés et des associations reprennent – tant au niveau de la forme qu'au niveau du contenu – les informations requises par ce Code et ne comprennent pas d'incohérences significatives par rapport aux informations dont nous avons eu connaissance dans le cadre de notre mission :

- un rapport de rémunération donnant un aperçu, sur base individuelle, du montant des rémunérations et autres avantages, tant en numéraire qu'en nature, accordés directement ou indirectement, pendant l'exercice social faisant l'objet du rapport de gestion.

Mentions relatives à l'indépendance

- Notre cabinet de révision n'a pas effectué de missions incompatibles avec le contrôle légal des comptes annuels et est resté indépendant vis-à-vis de la Société au cours de notre mandat.
- Les honoraires relatifs aux missions complémentaires compatibles avec le contrôle légal des comptes annuels visées à l'article 3:65 du Code des sociétés et des associations ont correctement été ventilés et valorisés dans l'annexe des comptes annuels.

Autres mentions

- Sans préjudice d'aspects formels d'importance mineure, la comptabilité est tenue conformément aux dispositions légales et réglementaires applicables en Belgique.
- La répartition des résultats proposée à l'assemblée générale est conforme aux dispositions légales et statutaires.
- Nous n'avons pas à vous signaler d'opération conclue ou de décision prise en violation des statuts, du Code des Sociétés et des Associations.

Gosselies, le 4 mai 2022

RSM InterAudit SRL
Commissaire
Représentée par

Thierry Lejuste
Associé

V

REMUNERATION REPORT

Given the equivalence of the requirements stated in L1523-17 and L6421-1 of the CDLD with those imposed by article 3:12 § 1 9° of the Code of Companies and Associations, this report has been drawn up to meet the obligations required both by the CDLD and the Code of Companies and Associations.

1. Presentation of the management bodies

Board of Directors

The Board of Directors is the company's decision-making body, with the exception of matters reserved for the Annual General Meeting either by law, decree or the articles of association. Its main goal is to ensure the company's long-term success, in accordance with the interests of all the third-party stakeholders essential for achieving this goal, namely shareholders, customers, suppliers and other creditors. With this in mind, the Board of Directors identifies the strategic challenges and risks faced by the company, defines the company's values, its strategy, the level of risks that it is comfortable taking as well as its key policies, along with monitoring the running of the business.

In view of the introduction of "mirror" Boards of Directors between the intermunicipal company, ORES Assets, and ORES, in accordance with article 13 of the ORES articles of association, the composition of this body comes about at the proposal of ORES Assets. It must be in line with the Walloon legislation relating to intermunicipal companies and more specifically with article L1523-15 of the CDLD, as amended in article 14 of the articles of association of ORES Assets. The Board of Directors is composed of twenty members of different sexes, of whom 13 members (2/3) represent the municipal shareholders and must, as such, be municipal representatives. The other seven represent the IPFs and may (or may not) be municipal representatives). The members of the Board of Directors are distributed as follows:

- politically (on the basis of a double proportionality referred to in Article 14 of the ORES Assets Articles of Association, i.e. the d'Hondt method on nine directorships and the weighted d'Hondt method on the remaining eleven);
- geographically (in proportion to the supply points as available at the time of the municipal elections).

Also, the members of Board of Directors sit on the company's management and control committees – offshoots of the Board of Directors – namely Executive Bureau, the Appointments and Remuneration Committee, the Audit Committee and Ethics Committee.

Executive Bureau

This Committee is responsible for preparing the decisions of the Board of Directors on all matters relating to the strategic and confidential tasks listed in the Walloon legislation relating to electricity and/or natural gas distribution systems operators. The Executive Bureau of ORES had five members as of 31 December 2021.

Appointments and Remuneration Committee

The principles and rules for remuneration granted to the company's directors, the members of the different Management and Control Committees, as well as the management roles within the company, are defined by the ORES Appointments and Remuneration Committee. Constituted according to the principle of the "mirror" committee between ORES Assets and ORES, this committee has five members.

Audit Committee

Its role is to support the Board of Directors by providing its views on the company's accounts, as well as on the internal control system, the internal audit programme and the conclusions and recommendations formulated by this internal audit in the form of reports. The Audit Committee is composed of five directors. It has been established according to the principle of a "mirror" committee between ORES Assets and ORES.

Ethic Committee

This Committee is responsible for advising on compliance with the rules on the confidentiality of personal and commercial information. It is composed of five members.

Executive Board

The management of the company is entrusted to the Executive Board. It is made up of nine members, including its Chairman.

2. Report from the Appointments and Remuneration Committee

Preliminary note

This report has been prepared by the Appointments and Remuneration Committee and submitted for the approval of the ORES Board of Directors in accordance with article L 1523-17, §2 of the Local Democracy and Decentralisation Code.

Its purpose is to assess the appropriateness of the remuneration paid to the directors of ORES in 2021. The individual attendance record of the directors is an integral part of the report to be drawn up by the Board of Directors pursuant to Article L6421-1 of the CDLD – remuneration report consolidated with ORES Assets.

Evaluation of the appropriateness of the remuneration of the directorships held at ORES in 2021

The remuneration terms of directorships are broken down as follows:

i. Remuneration terms for a directorship (Chairman, Vice-Chairman and member of the Board of Directors):

Position	Amount (gross) of remuneration	Payment frequency of the remuneration
Chairman of the Board of Directors	Annual fee of 19,997.14 € (index 138.01)	Monthly (remuneration* + km allowance**)
Vice Chairman of the Board of Directors	Annual fee of 14,997.85 € (index 138.01)	Monthly (remuneration* + km allowance**)
Member of the Board of Directors	Attendance fee of 125 € (index 138.01).	Monthly (remuneration* + km allowance**)

(*) weighted according to attendance rate – subject to attendance clause.
(**) 0.35 € per km, indexed in accordance with FPS Finance regulations.

ii. Remuneration terms for Committee members:

Position	Amount (gross) of remuneration	Payment frequency of the remuneration
Committee Chairman	Attendance fee of 180 € (index 138.01)	Every 6 months (attendance fee + km allowance*)
Member of the Board of Directors	Attendance fee of 125 € (index 138.01).	Every 6 months (attendance fee + km allowance**

(*) a kilometre allowance of 0.35 € per km is granted to committee members and indexed in accordance with FPS Finance regulations.

Conclusions of the Remuneration Committee

The Appointments and Remuneration Committee records that the remuneration terms paid in 2021 strictly apply the deliberations conducted at the General Meetings – which have authority in the matter – of 28 June 2018 and 29 May 2019.

The records show that in the session of 28 April 2021, the Appointments and Remuneration Committee noted the opinion of the WPS of 2 April 2021 relating to its reading of the provision of article L5311-1, §12 of the CDLD regarding the remuneration of the attendance allowance allocated to the Chair of the Audit Committee.

In view of the change in the interpretation of the provisions of article L 5311-1 of the CDLD, especially on the scope of the principles applicable to the chairmanship of the select management committees, the Appointments and Remuneration Committee reiterated its determination to respect the legality and the rules of governance of the CDLD and mandated ORES to take all useful measures at the level of the competent administrative authorities to clarify this point.

As a result, ORES approached the Union des Villes and Communes de Wallonie (Union of Towns and Municipalities of Wallonia), as well as the Local Government Minister to clarify the question and received the recommendation from the Appointments and Remuneration Committee to align themselves, if necessary, in the context of a future General Meeting; governance remains a constant and changing concern of ORES.

To date, there has been no response forthcoming from the Minister.

The Appointments and Remuneration Committee reiterated the recommendation made in April 2021 to comply with the remuneration terms that effectively apply for chairing the select management committees.

In the light of the response to be received from the Local Government Minister regarding the interpretation of having to retain article L 5311-1 of CDLD with regard to the chairing of select management committees, the terms that apply will be maintained or will have to be adjusted.

Carried out at the meeting of 9 March 2022.

3. Report from the ORES Board of Directors

General information about the institution

Identification number (CBE)	0897.436.971
Type of institution	Company with significant local public participation
Name of the institution	ORES
Reporting period	2021

	Number of meetings
General meeting	01
Board of Directors	09
Executive Board	07
Appointments and Remuneration Committee	04
Audit Committee	03
Ethics Committee	01

1. Members of the Board of Directors

Position	Last name and first name	Gross annual remuneration	Breakdown of remuneration and benefits	Reason for the remuneration if other than an attendance fee	List of mandates associated with the position and any remuneration	Percentage attendance at meetings
Chairman of the Board of Directors - Member of the Executive Board	DE VOS Karl	35,186.86 € (incl. mileage 197.86 €) (minus withholding tax 37.35%: 13,142.30 €)	Remuneration as Chairman: Gross annual remuneration of 19,997.14 € (index 138.01) i.e. indexed to 34,815.02 € gross annual until 30/09/2021 and 35,510.92 € gross annual from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	Remuneration as Chairman	None	81 %
Vice Chairman of the Board of Directors - Member of the Executive Board	BINON Yves	26,474.22 € (incl. mileage 232.48 €) (minus withholding tax 37.35%: 9,888.10€)	Remuneration as Vice Chairman: Gross annual remuneration of 14,997.85 € (index 138.01) i.e. indexed to 26,111.26 € gross annual until 30/09/2021 and 26,633.18 € gross annual from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	Remuneration as Vice Chairman	None	94 %
Director - Member of the Ethics Committee	BELLEFLAMME Élodie	2,035.73 € (incl. mileage 64.01 €) (minus withholding tax 37.35%: 760.32€)	Attendance fee as director/Committee member: 125 € (index 138.01) i.e. indexed to 217.63€ until 30/09/2021 and to 221.98€ from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100 %
Director - Member of the Audit Committee	BULTOT Claude	2,454.34 € (incl. mileage 47.36 €) (minus withholding tax 37.35%: 916.65€)	Attendance fee as director/Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	92 %
Director - Chair of the Audit Committee	BURNET Anne-Caroline	2,969.18 € (incl. mileage 51.06 €) (minus withholding tax 37.35%: 1,108.96 €)	Attendance fee as director: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 319.64 € from 01/10/2021 Attendance fee as Chair of the Audit Committee: 180 € (index 138.01) i.e. 313.38 € until 3130/09/2021 and 319.64 from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100 %

Position	Last name and first name	Gross annual remuneration	Breakdown of remuneration and benefits	Reason for the remuneration if other than an attendance fee	List of mandates associated with the position and any remuneration	Percentage attendance at meetings
Director - Member of the Ethics Committee	de BEER de LAER Hadelin	2,057.93 € (incl. mileage 86.21 €) (minus withholding tax 37.35%: 768.61 €)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Appointments and Remuneration Committee	DEMANET Nathalie	2,445.89 € (incl. mileage 256.54 €) (minus withholding tax 37.35%: 913.50 €)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	92%
Director - Member of the Executive Board	DONFUT Didier	4,007.64 € (incl. mileage 508.16 €) (minus withholding tax 37.35%: 2,003.88 €)	Attendance fee as director/ member of the Executive Board: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Audit Committee	DUTHY André	2,356.84 € (incl. mileage 163.14 €) (minus withholding tax 37.35%: 880.25€)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	83%
Director - Member of the Appointments and Remuneration Committee	FAYT Christian	1,414.48 € (incl. mileage 0.00 €) (minus withholding tax 37.35%: 490.94€)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	54%
Director - Member of the Ethics Committee	FRANCEUS Michel	1,912.46 € (incl. mileage 162.72 €) (minus withholding tax 37.35%: 714.27 €)	Presentiepenning bestuurder/ lid comité: 125 € (index 138,01) geïndexeerd tot 217,63 € tot 30/09/2021 en 221,98 € vanaf 01/10/2021 Kilometervergoeding: 0,35 €/km tot 30/06/2021 en 0,37 €/km vanaf 01/07/2021	None	None	90%

3 REPORT FROM THE BOARD OF DIRECTORS

Position	Last name and first name	Gross annual remuneration	Breakdown of remuneration and benefits	Reason for the remuneration if other than an attendance fee	List of mandates associated with the position and any remuneration	Percentage attendance at meetings
Director - Member of the Appointments and Remuneration Committee	FRANSSEN Roger	3,143.35 € (incl. mileage 732.02 €) (minus withholding tax 37.35%: 1,174.01 €)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Ethics Committee	GAUTHIER Ludivine	1,971.72 € (minus withholding tax 37.35%: 736.41 €)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021	None	None	100%
Director - Member of the Executive Board	GILLIS Alain	3,637.03 € (incl. mileage 355.18 €) (minus withholding tax 37.35%: 1,818.57 €)	Attendance fee as director/ member of the Executive Board: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	94%
Director	HARDY Cerise	2,023.89 € (incl. mileage 52.17 €) (minus withholding tax 37.35%: 755.90 €)	Attendance fee as director: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Audit Committee	LEFEBVRE Philippe	2,732.56 € (incl. mileage 103.60 €) (minus withholding tax 37.35%: 1,020.58 €)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Appointments and Remuneration Committee	MEURENS Jean-Claude	3,014.95 € (incl. mileage 603.62 €) (minus withholding tax 37.35%: 1,126.06 €)	Attendance fee as director/ Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%

Position	Last name and first name	Gross annual remuneration	Breakdown of remuneration and benefits	Reason for the remuneration if other than an attendance fee	List of mandates associated with the position and any remuneration	Percentage attendance at meetings
Director - Chair of the Appointments and Remuneration Committee	STAQUET Danièle	2,782.54 € (incl. mileage 177.80 €) (minus withholding tax 37.35%: 1,039.25 €)	Attendance fee as director: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Attendance fee as Chair of the Appointments and Remuneration Committee: 180 € (index 138.01) i.e. 313.38 € until 30/09/2021 and 319.64 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Audit Committee - Member of the Ethics Committee	VAN HOUT Florence	2,448.70 € (**) (incl. mileage 101.38 €) (minus withholding tax 37.35%: 914.57 €)	Attendance fee as director/Committee member: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021 Mileage allowance: 0.35 €/km until 30/06/2021 and 0.37 €/km from 01/07/2021	None	None	100%
Director - Member of the Executive Board	VEREECKE Anne	2,624.61 € (minus withholding tax 37.35%: 980.25 €)	Attendance fee as director/member of the Executive Board: 125 € (index 138.01) i.e. indexed to 217.63 € until 30/09/2021 and to 221.98 € from 01/10/2021	None	None	75%

(*) Chair of the Ethics Committee since 24/03/2021
(**) Taking account of a correction for an amount of -281.64 € relating to 2020.

3 REPORT FROM THE BOARD OF DIRECTORS

2. Holders of senior management positions – Executive Board

Position	Last name and first name	Gross annual remuneration	Breakdown of gross annual remuneration	List of derived mandates associated with the position and any remuneration
Local senior official	GRIFNEE Fernand	273,289.20 €**	273,289.20 €**	Director then Chairman *** SYNERGRID – Unpaid Director Atrias– Unpaid
Infrastructure Director	MOES Didier	244,118.07 €	201,208.07 € + 40,110 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	Director Gas.be – Unpaid
Technical Director	HOUSSARD Benoît	240,377.51 €	208,927.81 € + 28,650 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	Director Gas.be– Unpaid Director Laborelec – Unpaid
Seconded Director	DECLERCQ Christine	250,916.08 €	202,897.43 € + 34,380 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	None
Market & Customer Management Director	MERTENS Inne	248,141.54 €	205.231,54 € + 40.110 € (bonus betaald in 2022 voor prestaties 2021) + 2.800 € (collectieve bonus gerelateerd aan resultaten)	Director Atrias– Unpaid
Transformation Director	MAHAUT Sébastien	235,435.93 €	201,120.93 € + 31,515 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results linked to results)	None
IT Director	MEDAETS Benoît	202,342.25 €	172,611.25 € + 26,931 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	None
Finance Director	OFFERGELD Dominique	244,3093.2386 €	209,988.23 € + 31,515 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	Director Contassur – Unpaid
HR Director	DEMARS Frédéric	224,103.26 €	189,788.26 € + 31,515 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	Director Enerbel (pension fund) – Unpaid Director Powerbel (pension fund) – Unpaid
Public Affairs, & Communication Director	CALLENS Isabelle	202,267.96 €	182,277.96 € + 17,190 € (bonus paid in 2022 regarding performance in 2021) + 2,800 € (collective bonus linked to results)	Director CIRIEC – Belgian section – Unpaid
Overall total		**2,365,295.33 €**		

Supplementary pension plan for the senior local official (Delete where not applicable)

- If the holder of the role of local official covered by a group insurance policy? Yes / ~~No~~
- If yes, is it a contribution pension plan designed in accordance with appendix 4 of the Local Democracy and Decentralisation Code? Yes / ~~No~~
- Are the percentage and the group insurance terms applicable identically to all contracted staff in accordance with appendix 4 of the Local Democracy and Decentralisation Code? Yes / ~~No~~
- What was the amount received by the holder of the role of local official in the context of the group insurance policy? 60,793.40 €, excluding tax, for 2021

Notes

Members of the Executive Board also receive all of the benefits set by the sector, like all company executives.

* The individual bonus amounts are shown here with indexation for March 2022 (114.60).

** In accordance with appendix 4 of the CDLD and article 82 of the decree of 28/03/2018, but also as stated in the employment contract of Mr Fernand Grifnée, an amount of 3,398.53 € resulting from changes to indexation, as applied by Joint Representation Committee 326, will be refunded to ORES in April 2022 in order to comply with the ceiling set by decree of 245,000 €, indexed to 269,890.67 € for 2021.

*** Chairman since 21/05/2021, unpaid.

3. Appendices

Appendix 1: List of names and the attendance rate of members at meetings of the management bodies

ORES – Management body 1: Board of Directors

Position	Last name and first name	24/02/21	24/03/21	28/04/21	26/05/21	23/06/21	29/09/21	27/10/21	24/11/21	15/12/21	Total attendance rate in %	
Chair	DE VOS Karl	V	V	V		V	V	V	V		7/9	78 %
Vice President	BINON Yves	V	V	V	V	V	V	V		V	8/9	89 %
Administrators	BELLEFLAMME Élodie	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	BULTOT Claude	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€		8/9	89 %
	BURNET Anne-Caroline	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	de BEER de LAER Hadelin	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	DEMANET Nathalie	V-€	V-€	V-€	V-€	V-€	V-€	V-€		V-€	8/9	89 %
	DONFUT Didier	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	DUTHY André	V-€	V-€		V-€	V-€		V-€	V-€	V-€	7/9	78 %
	FAYT Christian	V-€	V-€	V-€					V-€	V-€	5/9	56 %
	FRANCEUS Michel	V-€	V-€	V-€	V-€	V-€	V-€		V-€	V-€	8/9	89 %
	FRANSSEN Roger	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	GAUTHIER Ludivine	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	GILLIS Alain	V-€	V-€		V-€	V-€	V-€	V-€	V-€	V-€	8/9	89 %
	HARDY Cerise	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	LEFEBVRE Philippe	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	MEURENS Jean-Claude	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	STAQUET Danièle	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	VAN HOUT Florence	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	V-€	9/9	100 %
	VEREECKE Anne	V-€	V-€		V-€	V-€	V-€	V-€		V-€	7/9	78 %

ORES – Management body 2: Executive Board

Position	Last name and first name	12/01/21	16/02/21	20/04/21	18/05/21	15/06/21	14/09/21	16/11/21	Total attendance rate in %	
Members	DE VOS Karl	V	V	V		V	V	V	6/7	86%
	BINON Yves	V	V	V	V	V	V	V	7/7	100%
	DONFUT Didier	V-€	V-€	V-€	V-€	V-€	V-€	V-€	7/7	100%
	GILLIS Alain	V-€	V-€	V-€	V-€	V-€	V-€	V-€	7/7	100%
	VEREECKE Anne		V-€		V-€	V-€	V-€	V-€	5/7	71%

ORES – Management body 3: Appointments and Remuneration Committee

Position	Last name and first name	10/03/2021	28/04/2021	06/10/2021	15/12/2021	Total attendance rate in %	
President	STAQUET Danièle	V-€	V	V-€	V	4/4	100%
Members	DEMANET Nathalie	V-€	V	V-€	V	4/4	100%
	FAYT Christian	V-€	V			2/4	50%
	FRANSSEN Roger	V-€	V	V-€	V	4/4	100%
	MEURENS Jean-Claude	V-€	V	V-€	V	4/4	100%

ORES – Management body 4: Audit Committee

Position	Last name and first name	26/04/2021	22/09/2021	08/12/2021	Total attendance rate in %	
President	BURNET Anne-Caroline	V-€	V-€	V-€	3/3	100%
Members	BULTOT Claude	V-€	V-€	V-€	3/3	100%
	DUTHY André	V-€	V-€	V-€	3/3	100%
	LEFEBVRE Philippe	V-€	V-€	V-€	3/3	100%
	VAN HOUT Florence	V-€	V-€	V-€	3/3	100%

ORES – Management body 5: Ethics Committee

Position	Last name and first name	24/03/2021	Total attendance rate in %	
President	FRANCEUS Michel	V	1/1	100%
Members	BELLEFLAMME Élodie	V	1/1	100%
	de BEER de LAER Hadelin	V	1/1	100%
	GAUTHIER Ludivine	V	1/1	100%
	VAN HOUT Florence	V	1/1	100%

Appendix 2: Summary of the amounts paid to the Chairman and Vice Chairman of legal entities or de facto associations, as well as their justification for each month

CHAIRMAN			
Month	**Amount of remuneration paid (gross amount minus withholding tax 37.35%)**	**Amount of travel expenses paid (gross amount minus withholding tax 37.35%)**	**Justification**
January 2021	1,817.63		81% total attendance at meetings in 2021 (Board of Directors 7/9 and Executive Board 6/7)**
February 2021	1,817.63		
March 2021	1,817.63		
April 2021	1,817.63		
May 2021	1,817.63		
June 2021	1,817.63	61.86	
July 2021	1,817.63		
August 2021	1,817.63		
September 2021	1,817.63		
October 2021	1,817.63		
November 2021	1,817.63		
December 2021	1,817.63	62.15	

VICE CHAIRMAN			
Month	**Amount of remuneration paid (gross amount minus withholding tax 37.35%)**	**Amount of travel expenses paid (gross amount minus withholding tax 37.35%)**	**Justification**
January 2021	1,363.23		94% total attendance at meetings in 2021 (Board of Directors 8/9 and Executive Board 7/7)**
February 2021	1,363.23		
March 2021	1,363.23		
April 2021	1,363.23		
May 2021	1,363.23		
June 2021	1,363.23	96,03	
July 2021	1,363.23		
August 2021	1,363.23		
September 2021	1,363.23		
October 2021	1,363.23		
November 2021	1,363.23		
December 2021	1,363.23	49,61	

* October 2021: indexation following index threshold being exceeded

** By deliberation of the General Meeting on 29 May 2019, the annual gross allowance for the Chairman and Vice Chairman is allocated 100% if the aforementioned office holder attends 80% of management body meetings.

Appendix 3: Training

Position	Last name and first name	25/05/2021*	26 & 27/10/2021**	Total attendance rate	
Chairman	DE VOS Karl		V	1/2	50 %
Vice Chairman	BINON Yves	V	V	2/2	100 %
Directors	BELLEFLAMME Elodie	V	V	2/2	100 %
	BULTOT Claude	V	V	2/2	100 %
	BURNET Anne-Caroline		V	1/2	50 %
	de BEER de LAER Hadelin	V	V	2/2	100 %
	DEMANET Nathalie	V	V	2/2	100 %
	DONFUT Didier		V	1/2	50 %
	DUTHY André	V	V	2/2	100 %
	FAYT Christian	V		1/2	50%
	FRANCEUS Michel	V		1/2	50 %
	FRANSSEN Roger	V	V	2/2	100 %
	GAUTHIER Ludivine	V	V	2/2	100 %
	GILLIS Alain	V	V	2/2	100 %
	HARDY Cerise	V	V	2/2	100 %
	LEFEBVRE Philippe	V	V	2/2	100 %
	MEURENS Jean-Claude	V	V	2/2	100 %
	STAQUET Danièle	V	V	2/2	100 %
	VAN HOUT Florence	V	V	2/2	100 %
	VEREECKE Anne	V	V	2/2	100 %

* Webinar – no travel expenses
** BoD day – no additional travel expenses

In 2021, two training courses were presented for directors.

The subject of the first one, organised in the form of a webinar on 25 May 2021, was energy transition and the vision of the energy market.

The second course, held on 26 and 27 October 2021, dealt with and delved into the transversal aspects of energy transition and its impact on tariffs, energy sharing and E-mobility.

Organisation profile

GRI 102	General disclosures	102-1	Name of the organisation	ORES and ORES Assets
GR1 102	General disclosures	102-2	Activities, brands, products and services	See section 2. "Presentation of the company", pages 8 to 12.
GR1 102	General disclosures	102-3	Location of head office	Avenue Jean Mermoz, 14 à 6041 Gosselies - Belgium
GR1 102	General disclosures	102-4	Location of operational sites	The company's business territory and its main operating sites are presented in the section 2. "Presentation of the company", pages 8 and 12.
GR1 102	General disclosures	102-5	Capital and legal form	See the cover page, as well as Part III. "Management report", including the annual financial statements, pages 72 to 138.
GR1 102	General disclosures	102-6	Markets served	See section 2. "Presentation of the company", pages 8 and 9.
GR1 102	General disclosures	102-7	Size of the organisation	See section 2. "Presentation of the company", page 10.
GR1 102	General disclosures	102-8	Information about employees and other workers	See section 6. "Corporate culture and wellbeing at work", page 55.
GR1 102	General disclosures	102-9	Supply chain	See section 8. "Ethics and fair practices", pages 65, 66 and 67 and List of successful contractors, in Part III. "Management report", pages 129 to 138 (ORES Assets annual report).
GR1 102	General disclosures	102-10	Significant changes to the organisation and its supply chain	See sections 7. "Governance and transparency", page 61 and 62 and 8. "Ethics and fair practices" page 68.
GR1 102	General disclosures	102-11	Principle of precaution or preventative approach	See "Description of the main risks and uncertainties facing the company", shown in Part III. "Management report", page 84.
GR1 102	General disclosures	102-12	External initiatives	Walloon Public Lighting Charter – Internet of Energy
GR1 102	General disclosures	102-13	Membership of associations	Ciriec – E.DSO – Gas.be – Synergrid– UVCW – UWE

Strategy

GRI 102	General disclosures	102-14	Statement from senior decision-maker	See Introductory message, pages 6 and 7.

Ethics and integrity

GRI 102	General disclosures	102-16	Mechanism for advice and management of concerns about ethics	See section 8. "Ethics and Fair Practices", page 65 and "Remuneration reports" and Part VI "Remuneration reports", pages 6 to 25.
GR1 102	General disclosures	102-17	Mechanism for advice and management of concerns about ethics	Ethics charter for staff members – Ethics charter for suppliers – Market Abuse Enforcement Code.

Governance

GR1 102	General disclosures	102-18	Governance structure	The Board of Directors has the broadest powers when it comes to achieving the corporate objects as well as managing the company. Everything that is not specifically entrusted by law or the articles of association to the general meeting comes under its jurisdiction. The various committees and their respective roles are described in Part VI "Remuneration Report". Additional information available in the articles of association, the Corporate Governance Charter and the Internal Regulations.
GR1 102	General disclosures	102-19	Delegation of authority	The Board of Directors may delegate the day-to-day management of the company and the representation of the company with regard to this management to the person who is the Chairman of the ORES Executive Board. In the context of day-to-day management, the person delegated may sub-delegate special powers to company employees and particularly to members of the Executive Board. For ORES Assets, the delegation is made to the benefit of the Chairman of the Executive Board. Additional information available in the articles of association, the Corporate Governance Charter and the Internal Regulations.

GR1 102	General disclosures	102-20	Executive-level responsibility for economic, environmental and social topics	By virtue of the company's articles of association, the ORES Board of Directors can delegate all or some of its management powers to an Executive Board in accordance with the Code of Companies and Associations. In matters and for questions relating to the day-to-day management, as entrusted by the Board of Directors and sub-delegated by the person delegated to day-to-day management, the Board of Directors deliberates and issues recommendations each time one of its members (including the Chairman) so requests. The ORES Board of Directors appoints and dismisses the Chairman of the Executive Board after consulting the Appointments and Remuneration Committee. The Chairman of the Executive Board submits proposals to the Board of Directors on appointing and dismissing members of this Board after consulting the Appointments and Remuneration Committee. The Board of Directors establishes the Internal Regulations of the Executive Board through an appendix to the Corporate Governance Charter.
GR1 102	General disclosures	102-21	Consulting stakeholders on economic and social issues	The Board of Directors meets at regular intervals, and at least six times per year, under the leadership of its Chairman in order to, as far as ORES is concerned, after its various Committees have expressed their views regarding their respective areas of expertise, fulfil the different roles described in the corporate governance charter. Additional information is available in the Corporate Governance Charter and the Internal Regulations. As part of the definition and updates of its major sustainable development issues and revising its materiality matrix– see section 2 on this topic "Corporate social responsibility and sustainable development" section, page xx - the company consults its stakeholders at regular intervals. The most recent consultation took place in December 2020 and the next will be held in 2022.
GR1 102	General disclosures	102-22	Composition of the highest governance body and its committees	See Part VI. "Remuneration reports", pages 120 to 134.
GR1 102	General disclosures	102-23	Chair of the highest governance body	See Part VI. "Remuneration reports", pages 120 to 134.

GR1 102	General disclosures	102-24	Appointing and selecting the highest governance body	Without prejudice to the areas that the law stipulates are the responsibility of the General Meeting, the Board of Directors is made up exclusively of non-executive directors, with the exception of the Chair of the Executive Board. The Board of Directors makes sure that, overall, thanks to its diverse composition, it encompasses the skills and experience needed to fulfil its roles. The General Meeting appoints and dismisses the directors.
GR1 102	General disclosures	102-25	Conflicts of interest	Directors pay close attention to their legal and ethical obligations in terms of conflicts of interests, particularly in accordance with article 6:64 of the Code of Companies and Associations, the provisions of decrees, including in particular those imposed by the Local Democracy and Decentralisation Code (CDLD) and by electricity and gas decrees. More information in the Corporate Governance Charter and Internal Regulations.
GR1 102	General disclosures	102-26	Role of the highest governance body in setting purpose, values and strategy	See section 7. "Governance and transparency", pages 61 to 63and Part VI. "Remuneration Report", pages 120 to 134.
GR1 102	General disclosures	102-27	Collective knowledge of the highest governance body	See section 7. "Governance and transparency", pages 61 to 63and Part VI. "Remuneration Report", pages 120 to 134.
GR1 102	General disclosures	102-28	Evaluation of the performance of the highest governance body	The Board of Directors reviews and evaluates: 1. its own effectiveness, as well as the effectiveness of the company's governance structure, and the role and tasks of the various Committees and the Executive Bureau; 2. every year, the performance of the Chairman of the Executive Board and, at the proposal of the Chairman of the Executive Board, other members of the Executive Board, within the context of the procedure relating to determining the proportion of their remuneration linked to performance.
GR1 102	General disclosures	102-29	Identifying and managing economic, environmental and social impacts	See the sections on "Corporate social responsibility and sustainable development", pages 16 and 17 and "Management Report", page 72.

GR1 102	General disclosures	102-30	Effectiveness of risk management processes	The roles of the Board of Directors include examining and analysing the company's financial targets, including in particular in terms of risk profiles and allocating resources and taking into account tariffs to be approved/already approved by the regulator. It is also stipulated that, once a year, a meeting of the Board of Directors addresses the company's strategy. During the year, an update is given on its progress. The Audit Committee and the Executive Board carry out an annual evaluation.
GR1 102	General disclosures	102-31	Review of economic, environmental and social issues	This review is completed: 1. annually in the Management Report (risk report) 2. quarterly (summary report on main performance indicators)
GR1 102	General disclosures	102-32	Highest governance body's role in reporting on sustainable development	Thee Board of Directors approves the policy for reporting on sustainable development, analyses all of the supporting documents for the annual report and submits them to the General Meeting for approval.
GR1 102	General disclosures	102-33	Communicating critical concerns	See Part III. "Management report" – Description of key risks and uncertainties faced by the company, page 76.
GR1 102	General disclosures	102-34	Nature and total number of critical concerns	See Part III. "Management report" – Description of key risks and uncertainties faced by the company, page 76.
GR1 102	General disclosures	102-35	Remuneration policies	See Part VI. "Remuneration reports", pages 120 to 134.
GR1 102	General disclosures	102-36	Process for determining remuneration	In accordance with the requirements of the Local Democracy and Decentralisation Code (CDLD), remuneration for the directorships fulfilled by the non-executive directors is defined overall by the General Meeting, on the proposal of the Board of Directors after the Appointment and Remuneration Committee has expressed its views. Furthermore, the remuneration granted to members of the Committees and the Executive Board and the directors for fulfilling specific roles as well as those of the Chairman of the Management Committee are determined by the Board of Directors on the recommendation of the Appointments and Remuneration Committee.
GR1 102	General disclosures	102-37	Stakeholder involvement in remuneration	The legal framework is defined by the Local Democracy and Decentralisation Code (CDLD).

GR1 102	General disclosures	102-38	Annual Total Compensation Ratio	The organisation is required to provide the following information:

a. The ratio of the total annual remuneration of the highest paid person in the organisation in each country where there is significant business, compared with the total average annual remuneration of all employees (excluding the person with the highest remuneration) in the same country

4.4 When compiling the information stated in the Element of information 102-38, the organisation must, for each country where there is significant business:
  4.4.1 identify the highest paid person for the reporting period, as defined by the total remuneration:
  Chairman of the Executive Board
  4.4.2 calculate the total average annual remuneration for all employees, with the exception of the highest paid person:
  51.926,08
  4.4.3 calculate the ratio of the total annual remuneration of the highest paid person compared with the average total annual remuneration of all employees.
  524 %

4.5 when compiling the information stated in the Element of information 102-38, the organisation must:
  4.5.1 for each country where there is significant business, define and provide details of the composition of the total annual remuneration of the highest paid person and all employees
    4.5.1.1 draw up an inventory of the types of remuneration included in the calculation;
    basic pay
    bonus
    CLA90
    4.5.1.2 state whether full-time and part-time employees are included in the calculation;
    yes
    4.5.1.3 state whether full-time equivalent pay rates are used for each part-time employee;
    yes
    4.5.1.4 state which operations or countries are included and whether the organisation elects not to consolidate this ratio for the whole of the organisation;
    ORES
  4.5.2 based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:
    4.5.2.1 base salary: monetary remuneration guaranteed in the short term and non-variable;
    4.5.2.2 monetary remuneration: the sum of the elements of the base salary, allowances, bonuses, commission, incentives and other forms of variable cash payments;
    4.5.2.3 direct remuneration: the sum of the total monetary remuneration and the total fair value of all long-term incentives, such as stock options, shares or limited share units, shares or share units based on performance, phantom stock, added value rights to shares and long-term cash bonuses.

GR1 102	General disclosures	102-39	Percentage increase in annual total compensation ratio	The organisation is required to provide the following information:

a. The ratio of the increase in percentage terms of the total annual remuneration of the highest paid person in the organisation in each country where there is significant business, compared with the increase in percentage terms of the average total annual remuneration of all employees (excluding the highest paid person) in the same country

4.6 When compiling the information stated in the Element of information 102-39, the organisation must, for each country:
  4.6.1 identify the highest paid person for the reporting period, as defined by total remuneration;
  Chairman of the Executive Board
  4.6.2 calculate the increase in percentage terms of the remuneration of the highest paid person for the reporting period, compared with the previous reporting period;
  12,86 % (*)
  (*) Managing Director – Self-employed status as a natural person from 1/1/2018 to 31/5/2018 and salaried status from 1/6/2018 under the decree
  4.6.3 calculate the average total annual remuneration for all employees, with the exception of the highest paid person;
  51,926.08
  4.6.4 calculate the increase in percentage terms of the average total annual remuneration between the previous reporting period and the current reporting period;
  3.87 %
  4.6.5 calculate the ratio of the increase in percentage terms of the remuneration of the highest paid person, compared with the increase in percentage terms of the average total annual remuneration of all employees.
  332 %

4.7 When compiling the information stated in the Element of information 102-39, the organisation must:
  4.7.1 for each country where there is significant business, define and provide details of the composition of the total annual remuneration of the highest paid person and all employees
    4.7.1.1 draw up an inventory of the types of remuneration included in the calculation;
    basic pay
    bonus
    CLA90
    4.7.1.2 state whether full-time and part-time employees are included in the calculation;
    yes
    4.7.1.3 state whether full-time equivalent pay rates are used for each part-time employee;
    yes
    4.7.1.4 state which operations or countries are included and whether the organisation elects not to consolidate this ratio for the whole of the organisation;
    ORES
  4.7.2 based on the organisation's remuneration policies and the availability of data, use the following components for the calculation:
    4.7.2.1 base salary: monetary remuneration guaranteed in the short term and non-variable;
    4.7.2.2 monetary remuneration: the sum of the elements of the base salary, allowances, bonuses, commission, incentives and other forms of variable cash payments;
    4.7.2.3 direct remuneration: the sum of the total monetary remuneration and the total fair value of all long-term incentives, such as stock options, shares or limited share units, shares or share units based on performance, phantom stock, added value rights to shares and long-term cash bonuses.

Engagement of stakeholders

GRI 102	General disclosures	102-40	List of stakeholder groups	See section 2. "Corporate social responsibility and sustainable development", page xx. In December 2020, the company invited 35 stakeholders, selected with regard to the place occupied by ORES in Walloon society, to take part in a virtual round table – due to COVID-19 – on the question of the company's corporate social responsibility and the challenges of sustainability. This meeting took place on 11 December and brought together, in addition to managers from ORES, 18 representatives from stakeholders, some of whom were players from the energy sector, including the Belgian Federation of Electricity and Gas Companies, the regulator for the Walloon market (CWaPE), representatives from the public authorities (ministerial offices and Walloon public services for energy and sustainable development), the Union of Walloon Towns and Municipalities, the Federation of Walloon PCSWs, Inter-Environnement Wallonie, the City of Charleroi, the Walloon Anti-Poverty Network and the Walloon Network for Sustainable Access to Energy, representatives from the academic world (ULiège – UCLouvain) and trade federations (road-building companies, construction). Four other stakeholders who were unable to attend took part in the exercise and submitted their input via the materiality questionnaire sent out to all stakeholders consulted prior to the round table.
GRI 102	General disclosures	102-41	Collective bargaining agreements	100%
GRI 102	General disclosures	102-42	Identifying and selecting stakeholders	See section 2. "Corporate social responsibility and sustainable development", page 16 and point 102-40 above.
GRI 102	General disclosures	102-43	Approach to stakeholder involvement	See section 2. "Corporate social responsibility and sustainable development", page 11 and point 102-40 above.
GRI 102	General disclosures	102-44	Key issues and concerns raised	See section 2. "Corporate Social Responsibility and Sustainable Development", pages 16 and 17.

Reporting method

GRI 102	General disclosures	102-45	Entities included in the consolidated financial statements	ORES Assets, ORES, Comnexio and Atrias
GRI 102	General disclosures	102-46	Defining report content and topic boundaries	See section 2. "Corporate Social Responsibility and Sustainable Development", pages 16 to 18.
GRI 102	General disclosures	102-47	List of pertinent issues	See section 2. "Corporate Social Responsibility and Sustainable Development", pages 16 to 18.
GRI 102	General disclosures	102-48	Restatement of information	NA
GRI 102	General disclosures	102-49	Changes to reporting	NA
GRI 102	General disclosures	102-50	Reporting period	Financial year 2021
GRI 102	General disclosures	102-51	Date of most recent report	NA
GRI 102	General disclosures	102-52	Reporting cycle	Annual reporting cycle
GRI 102	General disclosures	102-53	Contact point for questions regarding the report	Jean-Michel Brebant –Manager - jeanmichel.brebant@ores.be
GRI 102	General disclosures	102-54	Reporting declarations in accordance with GRI standards	This annual report has been prepared in accordance with GRI standards: Core option.
GRI 102	General disclosures	102-55	GRI content index	See page 135.

Specific sections

GRI 201	Economic performance	201-1	Direct economic value generated and distributed	The reader is referred to the organisation's Annual Financial Statements.
GRI 201	Economic performance	201-2	Financial implications and other risks due to climate change	See Part III. "Management report", pages 72.
GRI 201	Economic performance	201-4	Government financial aid	The Group benefits from a grant from the Walloon Region for a general interest industrial research project about smart meters ("Smart Users" project). In addition, a project called "Interpreter" about network modelling in the context of digitalisation – smart grids and smart meters – focusing on efficiency and sustainability, will receive funding from the European Commission under the Horizon 2020 programme.
GRI 205	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	See section 8. "Ethics and fair practices", pages 65 to 67.
GRI 302	Energy	302-1	Energy consumption within the organisation	See section 3. "Energy transition and the environment", pages 28 and 29.
GRI 302	Energy	302-4	Reduction of energy consumption	See section 3. "Energy transition and the environment", pages 28 and 29.
GRI 306	Effluent and waste	306-2	Waste by type and disposal method	See section 3. "Energy transition and the environment", pages 28 and 29.
GRI 306	Effluent and waste	306-4	Transport of hazardous waste	See section 3. "Energy transition and the environment", pages 28 and 29.
GRI 307	Environmental compliance	307-1	Non-compliance with environmental laws and regulations	No non-compliance during the reporting period.

GRI 401 Employment 401-1 Recruitment of new employees and staff turnover

	2019			2020			2021		
The organisation must provide information about the following:	Male	Female	Total	Male	Female	Total	Male	Female	Total
a. The total number of employees and the recruitment rate of new employees during the reporting period, by age group, gender and region.									
Region = Wallonia									
Number of entries									
<30	65	41		35	14		32	27	
>=30 <50	40	43		39	18		42	37	
>=50	2	2		1	0		1	3	
	107	**86**	**193**	**75**	**32**	**107**	**75**	**67**	**142**
Recruitment rate	6,60%	10,90%	8,01%						
	out of the male popula-tion	out of the female popula-tion	out of the total popula-tion	out of the male popula-tion	out of the female popula-tion	out of the total popula-tion	out of the male popula-tion	out of the female popula-tion	out of the total popula-tion
b. The total number of employees and the churn rate of staff during the reporting period, by age group, gender and region.									
Region = Wallonia									
Number of departures									
<30	20	11		20	10		17	10	
>=30 <50	20	13		20	42		23	32	
>=50	14	1		38	7		36	12	
	54	**25**	**79**	**78**	**59**	**137**	**76**	**54**	**130**
Churn rate	-3,33%	-3,17%	-3,28%						
	Number of de-partures	out of the female popula-tion	out of the total popula-tion	Number of de-partures	out of the female popula-tion	out of the total popula-tion	Number of de-partures	out of the female popula-tion	out of the total popula-tion

GRI 401	Employment	401-2	Benefits granted to full-time employees that are not granted to temporary or part-time employees

The standard benefits granted to the organisation's full-time employees and not to temporary or part-time employees.

These are a minimum of:

i. life insurance	Included in the group insurance, with employer and personal contributions
ii. healthcare	Hospitalisation and outpatient care
iii. handicap and disability care	Included in the group insurance, with employer and personal contributions.
iv. parental leave	Pursuant to CLA 64 of 29/4/1997: contractual parental leave / parental leave as part of career breaks
v. professional retirement	Included in the group insurance, with employer and personal contributions
vi. staff shareholding	DNA
vii. other benefits	Rate benefits, Social fund

GR1 401	Employment	401-3	Parental leave

The organisation must provide information about the following:

	2019	2020	2021
a. The total number of employees entitled to parental leave, by gender			
Male	691	692	726
Female	296	290	353
Total	**987**	**982**	**1.079**
b. The total number of employees taking parental leave, by gender			
Male	78	111	75
Female	69	151	73
Total	**147**	**262**	**148**
c. The total number of employees returning to work during the reporting period at the end of their parental leave, by gender			
Male	30	58	24
Female	22	39	29
Total	**52**	**97**	**53**
d. The total number of employees returning to work at the end of their parental leave and who were still employed 12 months after returning to work, by gender			
Male	92	138	134
Female	94	109	117
Total	**186**	**247**	**251**

e. Rates of returning to work and retention of employees taking parental leave, by gender

	2019 Hervatting	2019 Behoud	2020 Hervatting	2020 Behoud	2021 Hervatting	2021 Behoud
Male	38,46%	70,65%	52,25%	88,99%	32,00%	78,63%
Female	31,88%	77,66%	25,83%	70,64%	39,73%	73,50%
Total	**35,37%**	**74,19%**	**37,02%**	**70,45%**	**35,81%**	**70,92%**

GRI 402	Employee/management relations	402-1	Minimum notice periods regarding operational changes	There is no minimum number of weeks of notice. The organisation undertakes to make sure it discusses significant operational changes in good time and as soon as possible and to involve its employees and their representatives in negotiating and implementing these changes, as soon as they might have positive or negative implications for workers. For example, moving the head office from Louvain-la-Neuve to Gosselies, long prepared and organised for autumn 2020, was raised for the first time in a Works Council meeting three years in advance. According to the Collective Labour Agreement of 2/03/1989, the time needed to present an agreement is 2 hours. In practical terms, when an agreement is entered into collectively (CLA), union representatives have 2 to 4 weeks to present it to staff. However, this notice period is not included in an agreement.
GRI 403	Health and safety at work	403-1	Worker representation on official health and safety committees involving both workers and management	ORES has two Health & Safety Committees (HSC). The "West" HSC features an Employee Board made up of 10 effective members and 10 deputies, as well as a Young Employee Board, consisting of one effective member and one deputy. The "East" HSC has an Employee Board made up of 10 effective members and 10 deputies. Employer delegations are made up of the same number of representatives.
GRI 403	Health and safety at work	403-2	Types of occupational accidents and occupation accident rates, occupational diseases, lost working days, absenteeism and number of work-related deaths	See section 6. "Corporate culture and wellbeing at work", pages 57 and 58.
GRI 403	Health and safety	403-3	Workers with a high incidence and risk of occupational diseases	ORES carries out an inventory of workers with a risk of exposure to asbestos, organises their medical care and regularly reviews and adapts working methods to ensure low exposure. The company is of the opinion that the risk of occupational illness is not high.

GRI 403	Health and safety at work	403-4	Health and safety issues covered in formal agreements with trade unions	100%
GRI 404	Training and education	404-1	Average number of hours of training per year per employee	See section 6. "Corporate culture and wellbeing at work", page 56.
GRI 404	Training and education	404-2	Programmes for upgrading employee skills and transition assistance programmes	See section 6. "Corporate culture and wellbeing at work", page 56.
GRI 404	Training and education	404-3	Percentage of employees receiving regular performance and career development reviews	

The organisation is required to provide the following information:

The percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period:

	Male	Female	Total
Senior management	100%	100%	100%
Executives	100%	100%	100%
Supervisors	0%	0%	0%
Employees	0%	0%	0%

A "new working conditions" sliding scale system was introduced for employees and supervisors on 1 January 2020 and the old evaluation and performance review system was discontinued following the signing of a collective agreement relating to the improvement of remuneration terms. This system is matched by a development and recognition management process.

GRI 405	Diversity and equal opportunities	405-1	Diversity of governance bodies and employees

The organisation is required to provide information about the following:

a. The percentage of individuals who are members of the organisation's governance bodies in each of the following diversity categories:

Gender and Age group	Male	Female
<30	0,00%	0,00%
>=30 <50	0,13%	0,04%
>=50	0,13%	0,13%
Total	**0,25%**	**0,17%**

b. The percentage of employees per employee category and per diversity category – See section 6. "Corporate culture and wellbeing at work", page 55.

GR1 405	Diversity and equal opportunities	405-2	Ratio of basic salary and remuneration of women to men

The organisation is required to provide information about the following:

The ratio of the basic salary and the remuneration for women to men for each professional category, by major operating site.

No "major operating sites", but consolidated results for a single region, i.e. the ORES territory in Wallonia.

2020	
Ratio	**Female/male**
Senior management	-2,91%
Executives	-10,08%
Supervisors	-10,80%
Employees	-0,73%
Total	**-5,59%**

GRI 412	Assessment of human rights	412-3	Major investment agreements and contracts featuring clauses relating to human rights or human rights compliance records	See section 8. "Ethics and fair practices", pages 66 and 67..
GRI 414	Social assessment of suppliers	414-1	New suppliers analysed using social criteria	See section 8. "Ethics and fair practices", pages 66 and 67..

GRI 416	Health and safety of consumers	416-1	Assessment of the health and safety impacts of product and service categories	All technical actions and materials used by the company are evaluated in a constant and systematic way (method documents, technical specifications, product datasheets instruction notes, etc.). Operational teams and monitoring departments, trained in safety and risk prevention policies, have been set up to ensure operations activities and that the networks are monitored 24/7.
GRI 418	Customer data privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	12 substantiated complaints were received about customer data were received during the reporting period and 5 cases of data leaks, theft or loss were identified.

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ORES